

Memorandum



CITY OF DALLAS

DATE September 20, 2019

TO Honorable Mayor and Members of the City Council

SUBJECT **September 25, 2019 City Council Agenda Items #6 and #7**

The following Department of Public Works items will be considered by City Council on the September 25, 2019 Agenda:

Agenda Item 6:

Authorize a construction contract for the Bond 36-Month Street Resurfacing & Street Improvements Project for the 2017 Capital Bond Program - Heritage Materials, LLC, lowest responsible bidder of three - Not to exceed \$80,355,051.25 - Financing: Street and Transportation (A) Fund (2017 Bond Funds) (subject to annual appropriations)

Agenda Item 7:

Authorize a construction contract for the 36-Month Maintenance & Street Improvements Project for FY 2020-2022 - Heritage Materials, LLC, lowest responsible bidder of three - Not to exceed \$154,865,242.50 - Financing: Resurfacing and Reconstruction Improvements Fund (\$2,330,726.41), Capital Projects Reimbursement Fund (\$1,318,627.27), General Fund (\$90,014,769.82), Street and Alley Improvement Fund (\$49,413,441.00), and General Obligation Bond Program Fund (\$11,787,678.00) (subject to annual appropriations)

Background:

These actions will authorize a construction contract with Heritage Materials, LLC, lowest responsible bidder of three, to provide construction services for the Bond 36-Month Street Resurfacing & Street Improvements Project and the 36-Month Maintenance & Street Improvements Project.

These contracts provide for construction services scheduled for Fiscal Year 2020-2022. Bid specifications were developed and publicly advertised on June 12 and June 19, 2019, for competitive bids associated with these contracts. Bids were opened on June 28, 2019.

The Bids were structured with a Base Bid of various streets projects, unimproved alley projects, and traffic striping and marking with an Additive Alternate for the installation of Intelligent Transportation Systems Conduit in the City of Dallas' Public Right-of-Way, but only the Base Bid is recommended for authorization because of the high cost of the Additive Alternate Bid.

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Heritage Materials, LLC is currently under contract with the City of Dallas for the 2019 Maintenance and Street Improvements Contract and has successfully completed much of the work, per CR 18-1599, and is set to expire on September 30, 2019.

Fiscal Impact:

The Bond 36-Month Street Resurfacing & Street Improvements Project item will result in annual appropriations of the 2017 Bond Funds in an amount not to exceed \$80,355,051.25 (FY 2019-20 \$24,258,482.00, FY 2020-21 \$21,316,800.00, FY 2021-22 \$34,779,769.25) subject to annual appropriations.

The 36-Month Maintenance & Street Improvements Project item will result in annual appropriations of the various funds listed above in an amount not to exceed \$154,865,242.50 (FY 2019-20 \$40,596,746.68, FY 2020-21 \$37,997,393.00, FY 2021-22 \$76,271,102.82) subject to annual appropriations.

The Department of Public Works is procuring longer term contracts to secure favorable pricing as the City continues to see an upward trend of construction prices. However, per section 108.11 of the City's Standard Specifications for Public Works Construction (Fourth Edition, 2004), as amended and adopted by the City for use in construction contracts, the City has the ability to terminate these contracts without additional costs or penalties.

Please feel free to contact me if you have any questions or concerns.



Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Jon Fortune, Assistant City Manager

Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager and Chief Resilience Officer
Michael Mendoza, Chief of Economic Development and Neighborhood Services
M. Elizabeth Reich, Chief Financial Officer
Laila Aleqresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors