



City of Apache Junction

Development Services Department



DATE: December 31, 2019

TO: The Honorable Mayor and City Council

THROUGH: Bryant Powell, City Manager
Mike Wever, Public Works Director
Larry Kirch, Development Services Director

FROM: Raquel Schatz, Project Engineer

SUBJECT: Construction Agreement
PWC2018-02 Grand View Neighborhood Infrastructure Improvements
CDBG projects 120-20 and 126-20

REQUEST

Staff respectfully requests the mayor and city council, discuss and consider a proposed construction agreement with DBA Construction for infrastructure improvements to the Grand View Neighborhood Project in an amount not to exceed \$536,791.50. This work is partially funded by the city's Fiscal Year 2018 ("FY18") State Special Project ("SSP") application and the Fiscal Year 2019 ("FY19") Community Development Block Grant ("CDBG") Regional Account allocation as requested by city council under Resolution Nos. 18-07 and 19-05 respectively. This is a continuation of improvements completed within this neighborhood since 2015.

BACKGROUND

The city conducted the required public participation process to select a project to be submitted under the city's FY18 SSP and FY19 CDBG grant applications. The city council chose improvements to the Grand View Neighborhood area and applications were submitted. A contract was signed and executed with the Arizona Department of Housing (ADOH). Engineering was completed prior to application submittal and the city began the procurement process for construction services in November 2019.

Due to the timely award and contract signing of the grant applications, construction services for both projects were competitively procured simultaneously. The projects included:

1. Grand Drive from Broadway to Apache Trail: Installation of sidewalk and curb & gutter on the west side of the street.
2. Main Drive from Broadway to 1st Avenue: Installation of curb & gutter on the east side of the street.

DISCUSSION

Sealed bids were due to the city clerk's office on December 11, 2019. There were three bids received.

Contractor	Bid amount
B4 Enterprises	\$661,004.00
Standard Construction Co.	\$594,691.00
DBA Construction	\$536,791.50

Staff reviewed the submittals and found the lowest bidder was DBA Construction Inc. DBA Construction Inc. submitted all of the required documentation, and met all of the city and CDBG requirements.

The following is the breakdown of the bid award and funding sources:

Project	Bid amount	ADOH Funding	City Funding
Grand Drive (West) FY18 SSP	\$325,157.50	\$280,000.00	\$70,915.00
Main Drive (East) FY19 RA	\$211,634.00	\$91,422.00	\$100,000.00
Subtotal	\$536,791.50	\$371,422.00	\$170,915.00
Contingency (5%)	\$26,8369.58		
Total	\$563,631.08		

General funds in the amount of \$70,915.00 are committed by Resolution No. 19-04 for the FY18 SSP project. HURF funds in the amount of \$100,000.00 are committed by Resolution 19-23 for the FY19 RA project. Beyond the funding listed in the table above, HURF has committed in funding any of the remaining overages of the project, this includes the base bids and contingency of 5% of both projects combined. Contingency monies will be used for any unforeseen circumstances that is detected in the field/under construction.

Barring any objections, this item will be placed on the consent agenda for January 21, 2020. Construction will begin at the end of January and is anticipated to be completed by the end of April.

RECOMMENDATION

Staff respectfully recommends that mayor and city council discuss the proposed construction agreement with DBA Construction Inc.

ACTION REQUIRED

Review, discussion and consideration of the proposed contract

Attachment 1: Construction Agreement