



## Legislation Text

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**File #:** 17-0106, **Version:** 1

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**DATE:** February 28, 2017

**TO:** Board of Mayor and Aldermen

**FROM:** Eric Stuckey, City Administrator  
Paul Holzen, City Engineer  
Jonathan Marston, Assistant Director of Engineering

**SUBJECT:**

\*Consideration of Resolution 2017-06 Awarding the Construction Contract (COF Contract No. 2014-0259) for the Hunters Bend Elementary Safe Routes to School Project (TDOT PIN 118151.00) to Jarrett Builders, Inc. in the Amount of \$321,000.00 (02/14/17 WS)

**Purpose**

The purpose of this memo is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning Resolution 2017-06 to award the construction contract for the Hunters Bend Elementary Safe Routes to School Project to Jarrett Builders, Inc.

**Background**

In a letter dated October 29, 2012, the City of Franklin was notified by the Tennessee Department of Transportation (TDOT) that the City's submittal for the 2012 Safe Routes to School (SRTS) program had been selected for funding in the total amount of \$212,284.00. The intent of the Safe Routes to School Grant is to provide 100% of the construction phase funds required to complete an approved project.

On April 23, 2013, the BOMA approved Resolution 2013-23, which authorized \$86,381.00 from the Capital Projects Fund to be used for the estimated cost of Design and Construction Engineering & Inspection (CEI) services for this project, as the grant would not cover these costs.

On May 13, 2013, the City entered into a Local Agency Project Agreement (COF Contract No. 2013-0022) with TDOT to provide an understanding between the City and TDOT of their respective obligations related to the management of this project. This agreement also provided the breakdown of funding for each project task. That funding breakdown is as follows:

- Environmental Documentation (PE-NEPA) - \$5,833.33
- Construction - \$190,562.00
- TDOT Engineering Services (During Construction) - \$6,788.67

The total of the above listed costs is \$203,184.00. The difference between this amount and the original award amount is \$9,100.00. This remaining \$9,100.00 is set to be used for non-infrastructure activities (e.g. programming to educate and encourage children to walk and/or bike to school.)

On June 12, 2013, TDOT issued the Notice to Proceed for the Environmental Phase of this project. This work was performed by a consultant hired by TDOT.

On September 24, 2013, the BOMA approved a Professional Services Agreement (PSA) (COF Contract No. 2013 -0128) with Smith Seckman Reid, Inc. (SSR) in an amount not-to-exceed \$99,972.52 for the design and CEI services for this project.

On January 7, 2014, after the successful completion of the environmental phase, TDOT issue the Notice to Proceed for the Design Phase of the project. This allowed City staff and SSR to actually begin work on the design plans for this project. The design plans were initially submitted to TDOT for review and comment in October 2014.

Since that initial submittal, numerous comments and required changes to the design plans have resulted in a significant delay to the progress of this project. However, on October 27, 2016, TDOT issued the Notice to Proceed for the Construction Phase of this project, which allowed the City to proceed with the advertisement for bids.

On December 12, 2016, the City received and publicly opened construction bids for this project. Three (3) contractors submitted bids for this project, but only (2) were opened. Staff returned the unopened bid to the third contractor, because they had not completed the prequalification process with TDOT, which is a requirement to bid on projects of this type. The apparent bids results were:

- Jarrett Builders, Inc. - \$321,000.00
- Concrete Structures, Inc. - \$323,431.80

Staff thoroughly reviewed the bid documents for compliance with all listed requirements. Staff then sent a formal recommendation to TDOT for concurrence, which is required before final execution of the construction contract. The construction costs came in well above the original estimate of \$190,562.00, which was originally provided in 2012/2013. It is staff's opinion that the severe cost increase between the original estimate and the actual bid price is due the following:

- The limited quantities and variety of work items (e.g. Economy of Scale),
- The expanded scope of work, as required by TDOT, and
- Time between original estimate and final bids (e.g. 4-5 years.)

Due to the increase in construction costs, staff will request additional funding from TDOT. However, there is no guarantee that additional will be available or provided. If the City wishes to proceed with this project at this time, then this additional cost of \$130,438.00 will be the responsibility of the City.

### **Financial Impact**

Should the BOMA decide to proceed with construction of this project, it is anticipated that the funding for

construction would be provided as follows:

- Safe Routes to School Grant (Federal Funds) - \$190,562.00
- City Funds (Capital Project Fund) - \$130,438.00

**Recommendation**

Contingent upon TDOT review and concurrence, staff recommends approval of Resolution 2017-06 to award the construction contract (COF Contract No. 2014-0259) to Jarrett Builders, Inc. for the Hunters Bend Elementary Safe Routes to School Project (TDOT PIN 118151.00.)