July 2, 2012

TO: ACHD Commissioners, Director and Deputy Directors

FROM: Al Busche
Project Manager

SUBJECT: 2012 Local Overlays Phase 3
Project No. 511025, CT212-22, OV213-01
Bid Date: June 27, 2012
Consent Agenda: July 11, 2012

EXECUTIVE SUMMARY:

The project bids were opened and read in the ACHD Retreat Trailer at 1:00pm, June 27th 2012. The low cost, responsive bid was submitted by Knife River in the amount of $1,123,928.80. This bid is 1.4% ($15,914.70) above the Engineer’s Estimate. Staff recommends award of the project to Knife River.

BACKGROUND:

The overlay program is a necessary maintenance tool that provides a smooth drivable surface, maintains the structural integrity of the roadway, and helps to prevent deterioration of the road subgrade, which can lead to expensive road reconstruction.

This project began as the 2013 Local Overlays Phase 2, with the design of seven (7) road segments. Due to bid savings from other projects, the four (4) road segments listed below are being completed in FY12 as the 2012 Local Overlays Phase 3.

A. Fairview Avenue, Garden Street to 16th Street (remove and replace 2¼ in. of asphalt)
B. Shoreline Drive, 13th Street to Main Street (remove and replace 2¼ in. of asphalt)
C. Americana Blvd, Shoreline Street to Front Street (remove and replace 2¼ inches of asphalt)
D. 15th Street, Americana Blvd to Front Street (remove and replace 2¼ in. of asphalt)

<table>
<thead>
<tr>
<th>Programmed Expenditures: (Budgeted)</th>
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</thead>
<tbody>
<tr>
<td>Design</td>
</tr>
<tr>
<td>Construction</td>
</tr>
<tr>
<td>Total 2012 Programmed Expenditures:</td>
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</tbody>
</table>
The three (3) remaining road segments are to be overlaid as the 2012 Local Overlays Phase 4, which is currently being advertised for bids. The additional segments are:

a. Cole Road, Ustick Road to Mountain View Drive  
b. Orchard Street, Overland Road to Franklin Road  
c. Main Street, Garden Street to 16th Street  

FACTS AND FINDINGS:

<table>
<thead>
<tr>
<th>BIDDERS</th>
<th>TOTAL BID AMOUNT</th>
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</thead>
<tbody>
<tr>
<td>1. Knife River</td>
<td>$1,123,928.80</td>
</tr>
<tr>
<td>2. Central Paving</td>
<td>$1,185,700.00</td>
</tr>
<tr>
<td>3. C&amp;A Paving</td>
<td>$1,189,884.01</td>
</tr>
<tr>
<td>4. Idaho Sand &amp; Gravel</td>
<td>$1,270,459.00</td>
</tr>
<tr>
<td>5. Nampa Paving</td>
<td>$1,290,218.62</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,108,014.10</td>
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</tbody>
</table>

The bid analysis indicates the range of bids were between 1.4% higher and 16.4% higher than the Engineer’s Estimate. The average of the bids was 9.4% above the Engineer’s estimate.

FISCAL IMPLICATIONS:

There was $1,725,000.00 in the FY12 budget for construction. With the Engineer’s Estimate at $1.1 million, the project budget had been decreased by $695,000 earlier in the year as part of the Q3 budget adjustments and $100,000 had been carried over to the FY13 budget. Now with the low bid at $1,123,928.80 an adjustment of plus $45,000 will be made to keep the budget at 105% of the low bid.

POLICY IMPLICATIONS:

None.

ALTERNATIVES:

1) Accept the bid and award the contract to Knife River.  
2) Reject the bid and provide staff with further instructions.

RECOMMENDATION:

Alternative 1: Accept the bid and award the contract to Knife River.

Cc: Bruce Mills, P.E.                      Justin Bledsoe
Colin Farr, P.E.                                   Misty Perry
Dorrell R. Hansen, P.E.                       Sally Goodell
Mike Brokaw                           Linda Brown