

**Office of the City Manager**

City of Richland Hills, Texas

## Memorandum

**To:** Honorable Mayor Bill Agan and members of the Richland Hills City Council  
**From:** Michael Barnes, Public Works Director  
**Date:** March 27, 2013  
**Subject:** CDBG 38<sup>th</sup> Year Project Bid Award

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### **City Council Action Requested:**

Consider Resolution awarding the bid for the CDBG 38<sup>th</sup> Year Project to Overland Services in the amount of \$117,730.00 for Base Bids A & B and to commit to fund the excess amount of \$13,380.00 from the Oil and Gas Infrastructure Fund Account #12-56118-61 for Budget Year 2012-2013.

### **Background Information:**

Attached is a resolution awarding the bid for the 38<sup>th</sup> year CDBG Project. The project specifications proposed three bid options for the project (see attached bid tabulation). The options consisted of the following:

1. Base Bid A – Remove and replace curb, gutter, and driveways on Henry St. from Sta. 11+15 to Sta. 19+50.
2. Base Bid B – Remove and replace curb, gutter, and driveways on Reeves St. and Henry St. from Sta. 8+40 to Sta. 11+15
3. Base Bid C – 2” asphalt overlay of Reeves and Henry Sts.

We historically bid this out as a base bid with alternates in an effort to maximize the amount of work we do based on how pricing on the bids turns out. You will find the detailed bid tab attached to this memo.

The low bidder was Overland Services who was also the low bidder last year and did a very nice job. The city's current funding limit is \$104,350.00 for the 38<sup>th</sup> year. The city has two viable options. Option 1 is to award Base Bid A in the amount of \$87,500.00 and request the remaining funds be carried over to the next year. There is no guarantee that the funds to be carried over will be available next year and part of Reeves St. (Sta. 8+40 to Sta. 11+50) would not be completed.

Option 2 would be to award Base Bids A and B for a total of \$117,730.00 and the city fund the difference between \$117,730.00 and \$104,350.00, which amounts to \$13,380.00. This amount would come from the Oil and Gas Infrastructure Fund. Funds are available in this account. This would complete the removal and replacement of curb and gutter and driveways for both Reeves and Henry Streets.

Staff is recommending Option 2, to award Base Bids A and B in the amount of \$117,730.00 and pledge to commit to CDBG the excess (\$13,380.00) to be paid at the completion of the project. The distribution of funds is anticipated to occur in budget year 2012-2013. Funding is proposed to come from the Oil and Gas Infrastructure Account #12-56118-61.

When this item was previously on the agenda, there was a question about the cost difference from the 37<sup>th</sup> year CDBG to the 38<sup>th</sup> year CDBG. Staff has reviewed the bid tabs from both years, and the difference is in the cost per linear foot to remove and replace the curb and gutter. In the 37<sup>th</sup> year, we received four bids. Three of the four bids had a cost per linear foot that ranged from \$24-\$32. The low bidder had underbid it at a cost of \$13 per linear foot. In the 38<sup>th</sup> year, the low bidder has raised the cost per linear foot to \$23. It appears that last year we benefitted from the contractor underbidding the item, and this year he has raised his pricing to be more indicative of the current competitive market.

**Board/Citizen Input:**

N/A

**Financial Impact:**

\$13,380 from the Oil and Gas Infrastructure Fund

**Staff Contacts:**

Michael Barnes, P.E; Director of Public Works

817-616-3835

[mbarnes@richlandhills.com](mailto:mbarnes@richlandhills.com)

**Attachments:** Resolution 411-13

CDBG 38<sup>th</sup> Year Project Bid Tab

Notification letter re: HUD asphalt overlay requirements

**RESOLUTION NO. 411-13**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, APPROVING THE AWARD OF CONTRACT TO REPLACE CURB AND GUTTER AND DRIVEWAY APPROACHES ON PORTIONS OF REEVES STREET AND HENRY STREET AS PART OF THE 38<sup>TH</sup> YEAR COMMUNITY DEVELOPMENT BLOCK GRANT**

**WHEREAS**, the City of Richland Hills shares in a cooperative agreement with Tarrant County for essential Community Development Assistance Activities under Public Law 93-383, the Housing and Community Development Act of 1974, as amended; and,

**WHEREAS**, a public hearing for the purpose of identifying and discussing Community Development Projects has been held by the Richland Hills City Council; and,

**WHEREAS**, after said public hearing and due consideration, the City Council determined that the following project was eligible for funding under this Act, and approved the filing of application for said funding:

**APPROVE AWARD OF CONTRACT TO OVERLAND SERVICES TO COMPLETE THE 38<sup>TH</sup> YEAR CDBG PROGRAM IMPROVEMENTS CONSISTING OF REPLACEMENT OF CURB AND GUTTERS AND DRIVEWAY APPROACHES ON REEVES STREET AND HENRY STREET IN THE AMOUNT OF \$117,730 THAT INCLUDES A PLEDGE OF \$13,380 FROM THE CITY OF RICHLAND HILLS.**

**WHEREAS**, it is understood that any funds not expended on the specifically approved projects will revert to the Community Development Contingency Fund, and should any repayment of funds be required by HUD due to ineligible or non-refundable projects, the City would be responsible for repayment.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, THAT:**

The said 38th Year Community Development Block Grant Program for the City of Richland Hills be approved and endorsed.

**PASSED AND APPROVED** by City Council of the City of Richland Hills, Texas, by a vote of \_\_\_ ayes, \_\_\_ nays, and \_\_\_ abstentions, on this the 2<sup>nd</sup> day of April, 2013.

**APPROVED:**

\_\_\_\_\_  
Bill Agan, Mayor

**ATTEST:**

\_\_\_\_\_  
Linda Cantu, City Secretary

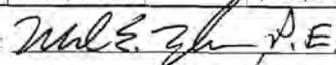
### BID TABULATION REPORT

TEAGUE NALL AND PERKINS, INC.  
CONSULTING ENGINEERS

CLIENT: CITY OF RICHLAND HILLS  
DESCRIPTION: ASPHALT OVERLAY WITH CONCRETE CURB AND GUTTER  
REPLACEMENT ON REEVES STREET AND HENRY DR, PHASE II

TNP JOB NO: TAR12211  
ENGINEER'S ESTIMATE: \$ 215,400.00  
BID DATE: FEBRUARY 13, 2013  
BID TIME: 9:00 AM

ITEM NO.	DESCRIPTION OF ITEMS	QUANTITY	UNIT	BIDDERS					
				Overland Services, Inc.		Klutz Construction, LLC		Reliable Paving, Inc.	
				UNIT COST	TOTAL	UNIT COST	TOTAL	UNIT COST	TOTAL
<b>BASE BID A - HENRY DR DRIVEWAY AND CURB &amp; GUTTER REPLACEMENT (from STA 11+15 to STA 19+50 (END))</b>									
1	Remove and Replace Concrete Curb and Gutter	1,660	LF	\$23.00	\$38,180.00	\$26.00	\$43,160.00	\$22.00	\$36,520.00
2	Remove and Replace 5" Thick Concrete Driveway Approach	3,580	SF	\$6.00	\$21,480.00	\$6.00	\$21,480.00	\$7.50	\$26,850.00
3	6" Reinforced Concrete Valley Gutter	38	SY	\$50.00	\$1,900.00	\$79.00	\$3,002.00	\$45.00	\$1,710.00
4	1' Wide HMAC Repair Strip	1,990	LF	\$5.00	\$9,950.00	\$8.00	\$15,920.00	\$4.00	\$7,960.00
5	6" Asphalt Pavement Transition	50	SY	\$40.00	\$2,000.00	\$62.00	\$3,100.00	\$30.00	\$1,500.00
6	Unclassified Street Excavation	46	CY	\$25.00	\$1,150.00	\$13.50	\$621.00	\$30.00	\$1,380.00
7	Parkway Restoration	3,220	SF	\$1.00	\$3,220.00	\$0.70	\$2,254.00	\$1.50	\$4,830.00
8	Block Sodding	3,220	SF	\$1.00	\$3,220.00	\$1.00	\$3,220.00	\$5.00	\$16,100.00
9	Relocate Water Meter and Box	10	EA	\$100.00	\$1,000.00	\$178.00	\$1,780.00	\$700.00	\$7,000.00
10	Adjust Water Valve	2	EA	\$200.00	\$400.00	\$230.00	\$460.00	\$200.00	\$400.00
11	Miscellaneous Paving Allowance	1	LS	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
<b>TOTAL BASE BID A</b>					<b>\$87,500.00</b>		<b>\$99,997.00</b>		<b>\$109,250.00</b>
<b>BASE BID B - (DEDUCTIVE ALT. BID B) HENRY DRIVEWAY AND CURB &amp; GUTTER REPLACEMENT (from STA 8+40 to STA 11+15)</b>									
1	Remove and Replace Concrete Curb and Gutter	625	LF	\$23.00	\$14,375.00	\$26.00	\$16,250.00	\$22.00	\$13,750.00
2	Remove and Replace 5" Thick Concrete Driveway Approach	1,455	SF	\$6.00	\$8,730.00	\$6.00	\$8,730.00	\$7.50	\$10,912.50
3	1' Wide HMAC Repair Strip	625	LF	\$5.00	\$3,125.00	\$8.00	\$5,000.00	\$4.00	\$2,500.00
4	Unclassified Street Excavation	12	CY	\$25.00	\$300.00	\$13.50	\$162.00	\$30.00	\$360.00
5	Parkway Restoration	1,300	SF	\$1.00	\$1,300.00	\$0.70	\$910.00	\$1.50	\$1,950.00
6	Block Sodding	1,300	SF	\$1.00	\$1,300.00	\$1.00	\$1,300.00	\$5.00	\$6,500.00
7	Relocate Water Meter and Box	7	EA	\$100.00	\$700.00	\$178.00	\$1,246.00	\$700.00	\$4,900.00
8	Adjust Water Valve Box to Grade	1	EA	\$200.00	\$200.00	\$230.00	\$230.00	\$200.00	\$200.00
9	4" Reinforced Concrete Sidewalk	2	SY	\$100.00	\$200.00	\$64.00	\$128.00	\$40.00	\$80.00
<b>TOTAL BASE BID B</b>					<b>\$30,230.00</b>		<b>\$33,956.00</b>		<b>\$41,152.50</b>
<b>BASE BID C - (DEDUCTIVE ALTERNATE BID C) WEDGE MILL WITH 2" OVERLAY</b>									
1	5' Wide Wedge Milling	3,680	LF	\$2.50	\$9,200.00	\$2.40	\$8,832.00	\$2.40	\$8,832.00
2	2" HMAC Type "D" Overlay	5,560	SY	\$11.00	\$61,160.00	\$9.50	\$52,820.00	\$9.60	\$53,376.00
3	Adjust Sewer Manhole to Grade	4	EA	\$300.00	\$1,200.00	\$470.00	\$1,880.00	\$400.00	\$1,600.00
4	Adjust Water Valve Box to Grade	5	EA	\$200.00	\$1,000.00	\$230.00	\$1,150.00	\$200.00	\$1,000.00
5	Type D HMAC Leveling Course	50	TON	\$100.00	\$5,000.00	\$88.90	\$4,445.00	\$90.00	\$4,500.00
6	Miscellaneous Paving Allowance	1	LS	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
<b>TOTAL BASE BID C</b>					<b>\$82,560.00</b>		<b>\$74,127.00</b>		<b>\$74,308.00</b>
<b>TOTAL BID A AND B</b>					<b>\$117,730.00</b>		<b>\$133,953.00</b>		<b>\$150,402.50</b>
<b>TOTAL BID A, B, AND C</b>					<b>\$200,290.00</b>		<b>\$208,080.00</b>		<b>\$224,710.50</b>

APPROVED BY:  M. E. Z. P. E.

**From:** Susan Au [SAu@TarrantCounty.com]  
**Sent:** Thursday, February 07, 2013 12:23 PM  
**To:** Michael Barnes; Mark Murphree; Brad Hearne  
**Subject:** Richland Hills CDBG  
**Attachments:** Susan Au.vcf

**Importance:** High

Gentlemen,

I have gotten to Richland Hills 39<sup>th</sup> year proposal. There is no difference from last year's project proposal to this year's. I understood this to be a multi-year project, however I also understood that 38<sup>th</sup> year project would finish these streets. **What exactly are you asking funds for in this project?** The current project description is insufficient. Also, you keep referring to these projects as "Street Reconstruction" and stating that "Overlays" are being done on the street. **MAINTENANCE (OVERLAYS) IS NOT AN ALLOWABLE COST FOR CDBG.**

Curb and gutters with a street needing to be raised 2" to make the curbs and gutters drain water efficiently are seen as "Drainage improvements". If HUD were to review that curb and gutter was installed one year and the street had the 2" asphalt added a year later with another year's funding, HUD could potentially ask for the city to repay the funds for the 2" addition when the curb and gutters were installed to address the drainage issue.

I cannot stress enough the difference between the definition of Drainage Improvements (allowable) versus Street Maintenance (NOT allowable).

**Please resubmit the proposal with detailed information on what you are working on for 39<sup>th</sup> year with complete and detailed project description.** We will no longer allow indefinite "multi-year" projects as each project needs to be planned. Other multi-year proposals provided have given me detail on what work would be done in each year. A Rolling multi-year project as city funds allow is no longer acceptable. An example of a good project description would be: 3-year project will consist of 2,425 LF of drainage improvements with concrete curb and (Valley) gutter improvements and 2" asphalt addition to street. First year, 900 LF on 6700 block of Reeves to include concrete curbs, 2 " asphalt and concrete valley gutters. Second year, 1,000 LF on 6800 block of Reeves Dr to include concrete curb, 2 " asphalt and concrete valley gutters, Third year, 525 LF on 3400 block of Henry Dr to include concrete curb, 2 " asphalt and concrete valley gutters. (Note that the 2" asphalt is included with the curb and gutter work)

Please provide me with a revised proposal before Feb 13, 2013.

Regards, Susan