



City of Olathe

COUNCIL AGENDA ITEM

MEETING DATE: 4/20/2021

FOCUS AREA: Infrastructure (Engineering)

STAFF CONTACT: Mary Jaeger / Nate Baldwin

SUBJECT: Contract with Donelson Construction Company, LLC for construction of the 2021 MAQS Micro Surface Project, PN 3-P-006-21.

ITEM DESCRIPTION:

Consideration of Engineer's Estimate, acceptance of bids and award of contract to Donelson Construction Company, LLC for construction of the 2021 MAQS Micro Surface Project, PN 3-P-006-21.

SUMMARY:

On April 8, 2021, one bid was received and opened for the above referenced project. Donelson Construction Company, LLC submitted the responsible bid in the amount of \$2,066,907.68. The following is a tabulation of the bids received:

Engineer's Estimate	\$ 2,021,133.40
Donelson Construction Company, LLC	\$ 2,066,907.68

Donelson Construction Company, LLC holds patents for several components of the MAQS surfacing process specified for this project. Donelson does sell these components to other contractors in the area, so the project was competitively bid. The MAQS Micro Surface seals and adds a skid resistant wearing surface to existing asphalt pavement.

The MAQS Micro Surface product is oil based and its change in prices correlates to the economic impacts on oil. The 2021 oil cost forecasts have exceeded our engineer's estimate resulting in the contractor's costs being higher than expected. As a result, this contract includes our base bid streets and one of two of bid alternates. Additional streets have been authorized for micro surface treatment and will be added to this project if additional funding is available later this year.

This Street Preservation project will provide a micro surface treatment on 164 local and collector streets. Construction is scheduled to begin in Summer 2021 and be completed by Fall 2021.

FINANCIAL IMPACT:

This project is funded from the City of Olathe's 2021 Street Preservation Program authorized on January 5, 2021. Authorized revenue for the 2021 Street Preservation Program includes:

G.O. Bonds	\$ 4,200,000
<u>Street Maintenance Sales Tax</u>	<u>\$ 11,000,000</u>
Total	\$ 15,200,000

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ACTION NEEDED:

Approval of Engineer's Estimate, acceptance of bids and award of contract to Donelson Construction Company, LLC for construction of the 2021 MAQS Micro Surface Project, PN 3-P-006-21.

ATTACHMENT(S):

- A. Project Location Map
- B. Project Fact Sheet
- C. Construction Agreement
- D. Engineer's Estimate and Affidavit of Estimate