

STAFF REPORT

Date: March 27, 2024

To: Mayor and City Council

Through: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Award of Contract to Spanish Springs Construction for the 2024 Yori South Street Rehabilitation Project in the amount of \$5,531,000. (Street Fund and Sewer Fund)

From: Jonathan Smith, Senior Civil Engineer

Department: Public Works

Summary:

Council confirmed the 2024 Street Rehabilitation Projects for reconstruction in March 2022, which allows time for coordination with property owners and private utility companies, as well as preparing design and bid documents. Staff held a neighborhood meeting on February 13, 2024, and presented the project to the Reno Access Advisory Committee on January 23, 2024, and the Neighborhood Advisory Board on March 11, 2024.

This item is a contract for the 2024 Yori South Street Rehabilitation Project. Four bids were received and opened on February 22, 2024. Spanish Springs Construction, Inc. submitted the best bid pursuant to the requirements established in Nevada Revised Statute (NRS) Chapter 338. This project's scope of work primarily consists of removing and replacing pavement, curb and gutter, sidewalks, driveways, pedestrian ramps, storm drain inlets and pipe, pavement striping, provisions for traffic control, and other miscellaneous work associated with the reconstruction project.

This project is included in the City's Capital Improvement Plan (CIP) budget for fiscal year (FY) 24. The work for the Yori South Street Project is scheduled to begin this spring and be completed by fall 2024. Staff recommends awarding the bid to Spanish Springs Construction, Inc. in an amount not to exceed \$5,531,000.

Consent Review	Yes	No
1. Is this item an annual or standard item that comes before Council for regular approval?		X
2. Is this item an agreement required based on an item previously approved by Council?	X	
3. Is this item included in the current budget approved and adopted by Council?	X	
Other Considerations		
What percent of the total City budget does this item represent?	0.66%	

Alignment with Strategic Plan:

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

April 26, 2023 – Council approved the Consultant Agreement with Lumos & Associates, Inc. for design services for the 2024 Yori North and Yori South Street Rehabilitation Projects in an amount not to exceed \$514,300 (Sewer & Street Fund).

March 23, 2022 – Council confirmed the streets proposed for the 2024 Neighborhood Street Rehabilitation Program.

Background:

The Neighborhood Street Program, adopted by Council in 1997, is a program for street rehabilitation and preventative maintenance of the City’s neighborhood streets. The City currently has an inventory of approximately 543 centerline miles of neighborhood streets to maintain, with the streets separated into three areas: Northwest-Stead-Verdi, Northeast-Southeast, and Southwest. Each year a new area is selected, rotating in a clockwise rotation, e.g., 2022 Southwest, 2023 Northwest-Stead-Verdi, and 2024 Northeast-Southeast.

Every three years, a visual survey is performed on all neighborhood streets, and data is collected about the type, severity, and quantity of pavement distresses. This information is put into a computer program that calculates a pavement condition index (PCI). The index ranges from 100 for pavements in excellent condition to zero for failing pavement. All the streets with a PCI below 55 are evaluated. Then, a number of streets in close proximity with the same general condition are grouped together and a construction cost for street rehabilitation and sewer main rehabilitation (if needed) is determined. Finally, coordination with all the utilities (gas, water, sewer, cable/fiber) occurs to determine the optimum schedule for the rehabilitation of streets in the neighborhood. The streets’ grouping to be rehabilitated results in cost-saving measures, including better bid prices and fewer disruptions to the residents. A final recommendation is then made to Council based on the funding available.

Discussion:

The 2024 Yori South Street Rehabilitation Project consists of Yori Avenue, Gallaway Lane, Hubbard Way, Stoddard Drive, and Flagg Drive. The Yori South neighborhood is shown on the Vicinity map below.

The Neighborhood Street Program guides the replacement (rehabilitation) of streets for the City's neighborhood streets. Staff identified the candidates for street rehabilitation and brought them to Council for confirmation several years prior to the actual rehabilitation to allow property owners and other utilities time for replacements or new installations of new mains or service laterals. Council confirmed the 2024 Neighborhood Street Rehabilitation Program, including the Yori South Street Rehabilitation Project, in March of 2022.

This project includes removing and replacing pavement, curb and gutter, sidewalks, driveways, pedestrian ramps, storm drain inlets and pipe, pavement striping, provisions for traffic control, and other miscellaneous work associated with the reconstruction project.

Yori South Vicinity Map



Staff received and opened four bids for the 2024 Yori South Street Rehabilitation Project on February 22, 2024. Spanish Springs Construction, Inc. submitted the best bid pursuant to the requirements established in NRS Chapter 338.

Spanish Springs Construction, Inc. is a local General Contractor licensed in Nevada, and they have completed multiple roadway and sewer projects for the City within the past five years.

Table 1 – Bid Summary

Yori South Street Rehabilitation Project	Spanish Springs Construction	Q & D Construction	Granite	Sierra Nevada Construction	Engineer's Estimate
Total Bid	\$ 5,231,000	\$ 5,394,500	\$ 5,706,706	\$ 5,764,007	\$ 4,837,538

Staff recommends award to Spanish Springs Construction, Inc. for the 2024 Yori South Street Rehabilitation Project for \$5,531,000 which includes a \$300,000 contingency for unforeseen items encountered during construction. The bid is within 10% of the Engineer's estimate, which is reasonable for this type of project.

Table 2 – Recommended Bid Award

Yori South Street Rehabilitation Project (Base Bid)	\$5,231,000
Contingency	\$300,000
Bid Award	\$5,531,000

The consequences of not awarding this bid today will result in further deterioration of streets, citizen complaints, and limited pedestrian and Americans with Disabilities Act (ADA) accessibility.

A construction management and material testing service agreement with Lumos & Associates for this project is also on this agenda for Council consideration and approval.

Financial Implications:

Funding for this project is available in the Street and Sewer Funds as identified in the City of Reno FY24 Capital Improvement Program.

Table 2 below shows the cost allocations for each fund.

Table 2 – Cost Allocation of Street Fund and Sewer Fund

	Recommended Award Amount	Street Fund	Sewer Fund
Spanish Springs Construction, Inc.	\$ 5,531,000	\$5,143,030	\$ 387,970
Percentages		93%	7%

Legal Implications:

This Contract was competitively bid in accordance with Chapter 338 of NRS. NRS 338.147 provides that a local government shall award a contract for a public work for which the estimated cost exceeds \$250,000 to the contractor who submits the best bid pursuant to the requirements of the chapter. Spanish Springs Construction, Inc. maintains the proper license to perform the project and submitted the best bid pursuant to state law.

Recommendation:

Staff recommends Council award the contract to Spanish Springs Construction, Inc. for the 2024 Yori South Street Rehabilitation Project in the amount of \$5,531,000 and authorize the Mayor to sign the contract.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Spanish Springs Construction Contract