

## STAFF REPORT

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**Date:** September 19, 2024

**To:** Mayor and City Council

**Through:** Jackie Bryant, Interim City Manager

**Subject:** Staff Report (For Possible Action): Award of contract to Granite Construction Company for Old Virginia Street Repairs in an amount not to exceed \$895,795. (Street Fund)

**From:** Jonathan Smith, Senior Civil Engineer

**Department:** Public Works

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**Summary:**

Old Virginia Road, just north of Damonte Ranch Parkway, has rapidly deteriorated over the past few years and has become a top priority for repairs. This section, stretching from Damonte Ranch Parkway north to the Vintage at the Crossings development at 11565 Old Virginia Road, poses significant safety hazards. These hazards include an increased risk of accidents due to potholes, cracks, and uneven surfaces that can cause vehicles and motorcycles to lose control. If left unaddressed, the road's condition will continue to worsen, increasing the risk of accidents, higher repair costs, and continued disruption for residents. This project will remove the existing roadway materials, place new asphalt, and install new pavement striping. On August 22, 2024, Granite Construction Company submitted the best bid pursuant to the requirements established in Nevada Revised Statutes (NRS) Chapter 338.147. Staff recommends Council award the contract to Granite Construction Company in an amount not to exceed \$895,795 which includes a contingency. The project is included in the fiscal year (FY) 24/25 Capital Improvement Plan (CIP) and funds are available in the Street Fund. The work is anticipated to be completed in the fall of 2024.

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
<b>Other Considerations</b>		
What percent of the total City budget does this item represent?	0.10%	

**Alignment with Strategic Plan:**

Public Safety

Infrastructure, Climate Change, and Environmental Sustainability

**Previous Council Action:**

There is no recent Council action relevant to this item.

**Background:**

Old Virginia Rd was originally constructed in 1978 but was reconstructed and realigned in 2002 to accommodate the SouthTowne Crossing Mall. When the reconstruction occurred, the structural section of the pavement placed was 4” of asphalt concrete on 6” of aggregate base. While this structural section is very typical and adequate for residential and low volume roads, the original design did not anticipate the current volume of vehicles and heavy truck traffic to the shopping center. Due to this, the pavement deteriorated at an accelerated rate leaving the pavement in a failed state years short of the typical standard design life for pavement.

The vicinity and location maps below show the general location of the Old Virginia Road Rehabilitation Project.

Vicinity Map



City of Reno  
Department of Public Works  
1 E. First Street  
Reno, NV 89501

Old Virginia Road  
Rehabilitation Project

Date: August 2024

The information herein is  
approximate and is intended  
for display purposes only.

**Discussion:**

The City needs to respond quickly to prevent further deterioration, as delaying repairs could lead to more extensive damage, which would be costlier and more time-consuming to fix, causing longer disruption and inconvenience to the public. Prompt action will ensure that the structural integrity of the road is restored, making it safer and more durable. Additionally, the strengthened road will be better equipped to handle the heavy truck traffic servicing the nearby shopping center, reducing wear and tear and extending the road's lifespan.

Staff received and opened six bids for the Old Virginia Street Repairs on August 22, 2024. Granite Construction Company submitted the best bid pursuant to the requirements established in Chapter 338 of the NRS. Granite Construction Company is a local general contractor licensed in Nevada, and they have completed multiple projects for the City within the past five years. Table 1 below shows the bid results.

**Table 1 - Bid Results**

<b>Bidder</b>	<b>Total Bid Price</b>
Engineer's Estimate	\$1,021,466
Granite Construction Company	\$795,795
A&K Earth Movers	\$899,000
Sierra Nevada Construction, Inc.	\$924,007
Spanish Springs Construction, Inc.	\$987,659
Q&D Construction LLC	\$1,177,000
F.W. Carson Co.	\$1,309,603

The low bidder came in 20% below the engineer's estimate, presenting an opportunity for cost savings. However, if we do not proceed with awarding the contract now, we may miss out on securing favorable prices in the future.

Staff recommends award to Granite Construction Company for a total not to exceed \$895,795 which includes a \$100,000 contingency for unforeseen items encountered during construction, as shown in Table 2 below:

**Table 2 - Recommended Bid Award**

<b>Old Virginia Repairs (Base Bid)</b>	<b>\$795,795</b>
<b>Contingency</b>	<b>\$100,000</b>
<b>Bid Award</b>	<b>\$895,795</b>

The consequences of not awarding this bid today will result in further deterioration of Old Virginia Road and increased safety concerns for the public.

**Financial Implications:**

This project will be funded with street funds.

**Legal Implications:**

This contract was competitively bid in accordance with Chapter 338 of the 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. Granite Construction Company 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 Granite Construction Company for the Old Virginia Street Repairs in an amount not to exceed \$895,795 and authorize the Mayor to sign the contract.

**Proposed Motion:**

I move to award the contract to Granite Construction Company for the Old Virginia Street Repairs in an amount not to exceed \$895,795 and authorize the Mayor to sign the contract.

**Attachments:**

Granite\_Construction\_Contract\_SR