

STAFF REPORT

Date: July 26, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Award of Contract to Sierra Nevada Construction for the 2023 Akard and Van Ness Street Rehabilitation Project in the amount of \$8,236,007. (Street Fund and Sewer Fund) [Ward 5]

From: Jonathan Smith, Senior Civil Engineer

Department: Public Works

Summary:

Council confirmed the Akard and Van Ness Streets for reconstruction in July 2020, which allows time to coordinate with property owners and private utility companies and to also prepare design and bid documents. Staff held a neighborhood meeting on June 8, 2023 and presented the project to the Reno Access Advisory Committee on May 23, 2023 and the Neighborhood Advisory Board on May 9, 2023.

This item is a contract for the rehabilitation of the 2023 Akard and Van Ness Street Rehabilitation Project. Three bids were received and opened on June 29, 2023. Sierra Nevada Construction 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 reconstruction project.

This project is included in the City's Capital Improvement Plan (CIP) budget for FY 24. The work for the Akard Neighborhood Area is scheduled to begin summer 2023 and be completed by fall 2023. The Van Ness Neighborhood Area is scheduled to begin spring 2024 and be completed by summer 2024. Staff recommends award of the bid to Sierra Nevada Construction in the amount not to exceed \$8,236,007.

Alignment with Strategic Plan:

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

June 8, 2022 – Council approved the Consultant Agreement with Eastern Sierra Engineering for design services for the 2023 Akard and Van Ness Neighborhood Rehabilitation Project, Fire Stations #2 and #10 Parking Lot Reconstruction Project, and Dickerson Road Shared Use Path Project in an amount not to exceed \$595,250. (Street Fund, Community Development Block Grant Fund and General Capital Projects Fund) [Ward 1, Ward 3, Ward 4, Ward 5]

July 29, 2020 – Council confirmed the streets proposed for the 2022 and 2023 Neighborhood Street Rehabilitation Program

Background:

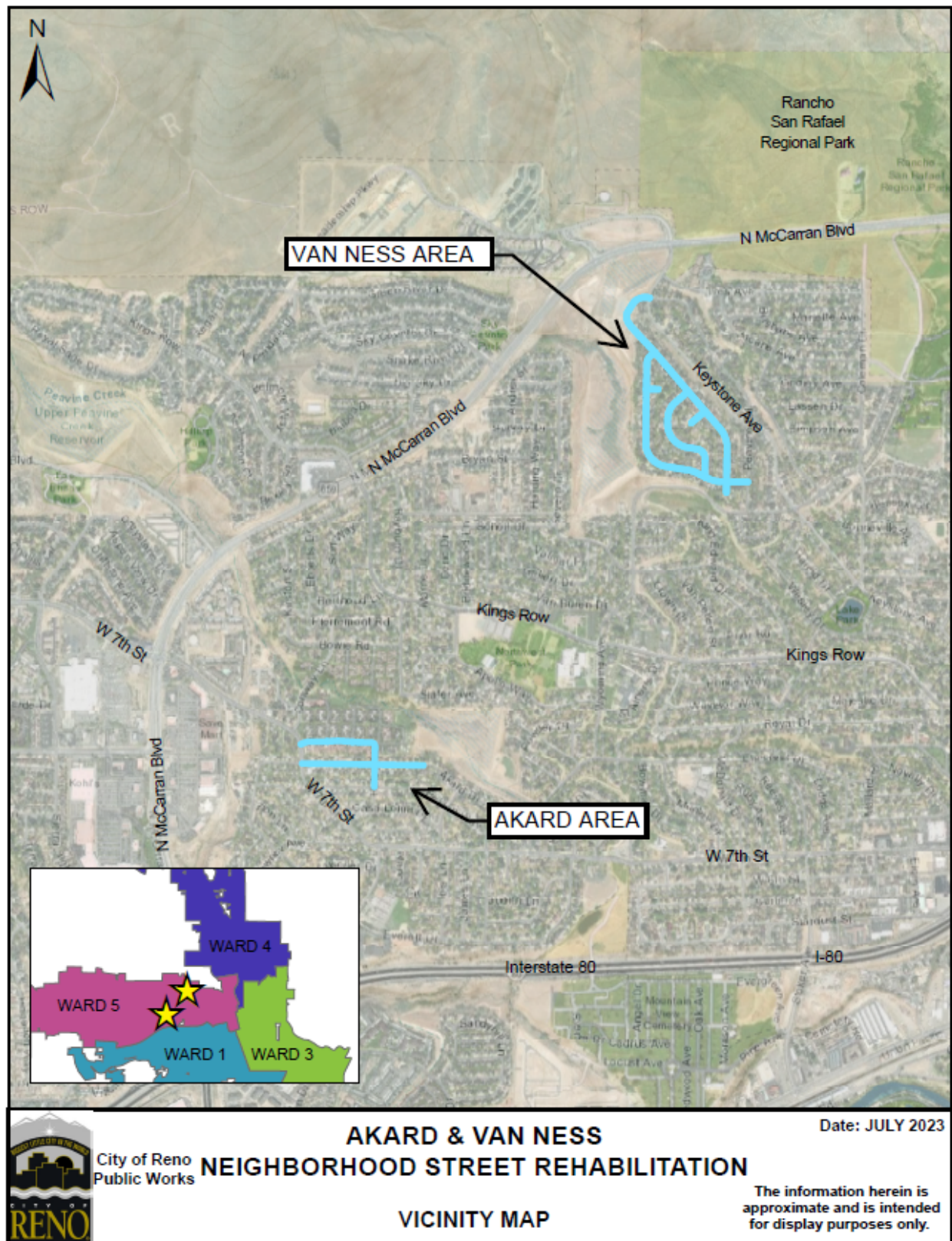
The Neighborhood Street Program, adopted by Council in 1997, is a program for street rehabilitation and preventative maintenance for the City's neighborhood streets. The City currently has an inventory of approximately 543 centerline miles of neighborhood streets to maintain, with the streets separated 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 the 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 Pavement Condition Index (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 2023 Akard and Van Ness Street Rehabilitation Project consists of seven neighborhood streets on the Vicinity map shown below. This project is located in the Northwest Reno area in Ward 5.

Vicinity Map



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 2023 Neighborhood Street Rehabilitation Program, including the Akard and Van Ness Street Rehabilitation Project, in July 2020.

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 reconstruction project. The Base Bid includes the street rehabilitation for Akard Drive, Frontier Street, Van Ness Avenue, Sutter Circle, Geary Street, O'Farrell Street and Polk Street as shown on the above Vicinity Map.

Staff received and opened three bids for the 2023 Akard and Van Ness Street Rehabilitation Project on June 29, 2023. Sierra Nevada Construction submitted the best bid pursuant to the requirements established in Nevada Revised Statute (NRS) Chapter 338.

Sierra Nevada Construction 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

Akard & Van Ness Street Rehabilitation Project	Sierra Nevada Construction	Granite Construction	Spanish Springs Construction	Engineer's Estimate
Total Bid	\$ 7,736,007	\$ 8,115,115	\$ 8,390,000	\$7,355,219

Staff recommends award to Sierra Nevada Construction for the 2023 Akard and Van Ness Street Rehabilitation Project for \$8,236,007 which includes a \$500,000 contingency for unforeseen items encountered during construction. The bid is within five percent of the Engineer's estimate, which is reasonable for this type of project.

Table 2 – Recommended Bid Award

Akard & Van Ness Street Rehabilitation Project (Base Bid)	\$7,736,007
Contingency	\$500,000
Bid Award (Phase 1)	\$8,236,007

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

Financial Implications:

FY 24 Capital Improvement Plan includes the Street and Sewer Fund elements. Shown in Table 2 below are the cost allocations for each fund.

Table 2 – Cost Allocation of Street Fund and Sewer Fund

	Recommended Award Amount	Street Fund	Sewer Fund
Sierra Nevada Construction.	\$8,236,007	\$7,988,927	\$247,080
Percentages		97%	3%

Legal Implications:

This Contract was competitively bid in accordance with Chapter 338 of the Nevada Revised Statutes (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 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 Sierra Nevada Construction for the 2023 Akard and Van Ness Street Rehabilitation Project in the amount of \$8,236,007 and authorize the Mayor to sign the contract.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

- SNC_Construction_Contract_SR (PDF)