



Date: January 16, 2024

To: Wanda S. Page, City Manager
Through: Bertha T. Winbush, Deputy City Manager
From: Marvin G. Williams, Director of Public Works
Subject: Contract ST-329 Street Repairs & Repaving 2024

Executive Summary

On December 6, 2023, the Department of Public Works opened bids for Contract ST-329 Street Repairs & Repaving 2024. The contract involves milling, patching, utility adjustments, asphalt paving, and pavement markings at various locations in the City of Durham (Attachment A, Vicinity Maps). The lowest responsive bid was submitted by FSC II, LLC dba Fred Smith Company of Raleigh, North Carolina.

Motion

To authorize the City Manager to execute a contract for ST-329 Street Repairs & Repaving 2024 with FSC II, LLC dba Fred Smith Company in the amount of \$7,622,230.93;

To establish a contingency fund in the amount of \$381,111.55; and

To authorize the City Manager to negotiate and execute change orders to the contract provided that the total contract cost does not exceed \$8,003,342.48.

Background

The Department of Public Works (DPW) originally advertised the project on October 20, 2023 with a bid opening on November 28, 2023. Under formal bidding statutes, three bids are required to open; and only two were received. The project was re-advertised, and the second bid opening was conducted on December 6, 2023.

DPW continues to be committed to a balanced asphalt pavement management program. A critical component of that is to perform the right treatment to the right road at the right time. The paving effort has been successful over the last six paving seasons by focusing on two areas of treatment: repaving and the preservation treatments. DPW will continue to split these two different types of paving work into separate projects to keep cost down and increase the quality of work. ST-329 is the repaving portion of the 2024 asphalt maintenance program.

The ST-329 Street Repairs and Repaving 2024 project provides for the milling, patching, utility adjustments, asphalt repaving, and pavement marking, of various locations throughout the City of Durham for a total of 43.45 lane miles. The locations will include seven neighborhoods and will repave several arterial streets. The neighborhoods selected were chosen through an equity lens; using the Pavement Condition Index (PCI) source data in combination with Durham Neighborhood Compass data. Additional lane miles will receive pavement preservation treatments in 2024 under project ST-330 Pavement Preservation 2024.

Issues and Analysis

The following is a summary of bids received:

Company	Bid Amount
FSC II, LLC dba Fred Smith Company	\$7,622,230.93
Carolina Sunrock LLC	\$8,740,319.15

The Department of Public Works recommends awarding Contract ST-329 Street Repairs and Repaving 2024 to FSC II, LLC dba Fred Smith Company in the amount of \$7,622,230.93.

Alternatives

City Council could elect to not approve the contract. If the contract is not approved the construction schedule would be delayed and construction cost could increase due to the continuing rise in construction costs.

Financial Impact

Funds for this project are available in the CIP account(s):

Repaving Funds – Construction:	3000L010 – 732001 – LE979	\$7,622,230.93
Repaving Funds – Contingency:	3000L010 – 731900 – LE979	\$381,111.55
		Total= \$8,003,342.48

Equal Business Opportunity Summary

The Underutilized Business Compliance Division reviewed the proposal submitted by Fred Smith Company of Raleigh, NC and determined that they are in compliance with the Ordinances to Promote Equal Business Opportunities in City of Durham Contracting. The goals for this project was/were Minority 11% and Women 7%.

Fred Smith exceeded the WUBE goal but failed to meet the MUBE goal. After review, it was determined they demonstrated a Good Faith Effort and are in compliance with the Ordinance.

UBE REQUIREMENTS

Fred Smith will subcontract to the following certified firms:

Firm	ID	City/State	Amount	% of Contract
Austin Trucking	MUBE	Raleigh, NC	\$200,000	2.6%
Big R Trucking	MUBE	Raleigh, NC	\$100,000	1.3%
Dee Jays Trucking, LLC	MUBE	Durham, NC	\$50,000	0.66%
Whitehurst Trucking	MUBE	Raleigh, NC	\$50,000	0.66%
Fulford and Jones	*WBE	Wilson, NC	\$400,000	5.2%
Royals Contracting	WUBE	Raleigh, NC	1,000,000	13.1%

*NCDOT

Contractor Workforce Diversity & Hiring Practices

According to the contractor's responses to the "Contractor Workforce Diversity Questionnaire," the contractor is a large employer (over 100 employees), consisting of a mix of professional/skilled and unskilled workers. The contractor does believe it has a diverse

workforce because of the numbers shown in part A. The contractor did list a few examples of efforts it makes to have a more diverse workforce.

Part A – Employee Diversity Breakdown Table for Primary Location

Employment Category	Total Employees	Total Males	Total Females	M-----a-----l-----e-----s					F-----e-----m-----a-----l-----e-----s				
				White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native
Project Manger	250	244	6	192	32	10	1	1	4	1	0	0	1
Professional	51	46	5	43	3	0	0	0	5	0	0	0	0
Labor	830	774	56	260	268	237	1	8	19	28	6	0	3
Clerical	36	8	28	6	1	1	0	0	23	4	1	0	0
Totals	1167	1072	95	501	304	256	2	9	51	33	7	0	4

Attachments

Attachment A, Vicinity Maps
Construction Contract