TOWN OF KILL DEVIL HILLS

Land Where Flight Began

MEMORANDUM

September 12, 2022

TO: Mayor and Board of Commissioners

FROM: Debora P. Diáz, Town Manager D. Diáz / CA

REF: New Business

1. Recommendation for Bid Acceptance for 2022-2023 Street, Drainage, and Right-of-Way Improvements Projects (Attached NB-1)

At its March 7, 2022, meeting, the Board of Commissioners approved the initial design of the street, drainage and right-of-way improvements projects for fiscal year 2022-2023. The projects include paving, drainage, sidewalk, water main replacement and related work, which are detailed in Public Services Director Steve Albright's attached memorandum:

2022-2023 Fiscal Year Improvements	
Seminole – Indian - Apache Project Group *(approximately 0.39 miles)*	• **Seminole Street**: Work will include new drainage, asphalt paving, some driveway work and water main replacement from W. Third Street to Indian Drive. • **Indian Drive**: Work will include water main replacement, asphalt paving, some driveway work and drainage improvements from Seminole Street to Apache Street. • **Apache Street**: Work will include drainage work and associated driveway replacements from W. Third Street to Indian Drive.

Based on the high costs of the bids received for the Seminole, Indian and Apache project, Staff concurs with the recommendation to reject the bids based on lack of funding availability. Mr. Albright noted that the bids, with the exception of the Engineer's estimate, were tightly grouped and reflect the current market value for this work. The narrow range of the bids indicate the drawings and contract documents were clear with the bid process valid. Materials availability seems to be a concern that could have impacts compressing the work schedule and in effect driving prices higher. Staff recommends:

- Re-bid the Seminole, Indian and Apache project as the 2023-2024 project.

- Bid the 2023-2024 project earlier in the year to allow additional time for material deliveries allowing the contractors additional working time within the normal off-season construction window.
- Design and bid the Wrightsville project the following year in 2024-2025. This may allow time for cost increases to stabilize, allow additional time to pursue grant funding, and allow for material shortages to stabilize.
- Allow additional time and price data to better budget for the large Wrightsville project.

2022-2023 Fiscal Year Improvements	
N. Croatan - W. Durham Project Group *(approximately 0.58 miles)*	• **N. Croatan (Third Street to Durham)**: Work will include drainage upgrades, water main replacements, sidewalk restoration and associated driveway work. • **W. Durham Street**: Work will include drainage upgrades, water main replacement, paving and associated driveway work. • **W. Fifth Street**: Work will include alternate pricing for sidewalk extension adjacent to the Truist site.

Mr. Albright's memo details that on August 25, 2022, bids were received for the project and reviewed by the Town's engineer, Patrick Lewis and Staff. Staff concurs with Mr. Lewis' recommendation that the low bidder, FSC II, LLC, doing business as Fred Smith Company, is awarded the contract for the N. Croatan Hwy., W. Durham St., and W. Fifth Street as outlined in paragraph 13 of his attached recommendation letter.

A breakdown of the recommended construction related costs for the N. Croatan Hwy., W. Durham St., and W. Fifth Street Project is included below:

	Project Breakdown			
N. Croatan, W. Durham, W. Fifth	**Streets & Drainage**	**Water**	**Sidewalk**	**Total**
Fred Smith Contracting, Inc. – Base Bid + Unit Price Items	$1,304,336	$632,470	$18,704	$1,955,510
Alternates – W. Fifth Sidewalk and associated drainage and driveway work			$171,490	$171,490
Contingency	$74,727	$63,247		$137,974
Engineering	$36,000	$18,220	$5,400	$59,620
Totals	**$1,415,063**	**$713,937**	**$195,594**	**$2,324,594**

If the BOC agrees with Staff recommendations for the N. Croatan, W. Durham, and W. Fifth Street Project, a motion will be in order to:

- Approve the contract with FCS II, LLC. for 2022-2023 Street, Drainage, and Right-Of-Way Improvements Project in the amount of $2,127,000 and authorize its execution by the Town Manager;
- Approve the engineering services agreement with American Engineering in the total amount of $59,620 for construction oversight services;

- Approve a 5% not-to-exceed contingency for the streets and sidewalk portions of the project in the amount of $74,727 and a 10% contingency for the water portions of the project in the amount of $63,247;
- Authorize expenditure of $986,000 from the Street Construction Capital Reserve Fund; $195,594 from the Sidewalks Capital Reserve Fund; $208,937 from the Water Capital Reserve Fund ($505,000 approved with budget); $320,000 from the Powell Bill Fund; $109,063 from the fund balance, for a total of $2,324,594;
- Approve all necessary budget amendments to appropriate funds from the Sidewalk Construction Capital Reserve Fund, Street Construction Capital Reserve Fund, and unassigned fund balance for the 2022-2023 street, drainage, and right-of-way improvements project;
- Approve Staff and Town Engineer recommendations detailed above regarding the Seminole – Indian – Apache Project Group.

A motion will be in order.

TOWN OF KILL DEVIL HILLS
PUBLIC SERVICES

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L. RANDOLPH TURNER
Streets

LYNN E. LINDSEY
Solid Waste

September 12, 2022

Memorandum

To: Debora P. Diaz, Town Manager

From: Stephen F. Albright, Public Services Director

Subject: **Recommendation for Bid Acceptance for 2022-2023 Street, Drainage and Right-Of-Way Improvements Projects**

At the March 7, 2022 meeting, the Board of Commissioners approved the initial design of the street, drainage and right-of-way improvements projects for fiscal year 2022-2023. The projects include paving, drainage, sidewalk, water main replacement and related work as follows:

N. Croatan - W. Durham Project Group *(approximately 0.58 miles)* - Improvements will include drainage, water main replacement, pavement patching and related work as follows:

- **N. Croatan (Third Street to Durham)**: Work will include drainage upgrades, water main replacements, sidewalk restoration and associated driveway work.
- **W. Durham Street**: Work will include drainage upgrades, water main replacement, paving and associated driveway work.
- **W. Fifth Street**: Work will include alternate pricing for sidewalk extension adjacent to the Truist site.

Seminole – Indian - Apache Project Group *(approximately 0.39 miles)* - Improvements will include paving, drainage, water main, and related work as follows:

- **Seminole Street**: Work will include new drainage, asphalt paving, some driveway work and water main replacement from W. Third Street to Indian Drive.
- **Indian Drive**: Work will include water main replacement, asphalt paving, some driveway work and drainage improvements from Seminole Street to Apache Street.
- **Apache Street**: Work will include drainage work and associated driveway replacements from W. Third Street to Indian Drive.

On August 25, 2022 bids were received for the project and reviewed by the Town's engineer, Patrick Lewis and staff. Please find the attached recommendation of award letter from Mr. Lewis along with the bid tabulation for the project. Staff concurs with Mr. Lewis's recommendation that the low bidder, FSC II, LLC doing business as Fred Smith Company is awarded the contract for the **N. Croatan Hwy., W. Durham St., and W. Fifth Street** project as outlined in paragraph 13 of his attached recommendation letter.

Based on the high costs of the bids received for the **Seminole, Indian and Apache** project, staff concurs with the recommendation to reject the bids based on lack of funding availability. We do believe that the bids with the exception of the Engineer's estimate were tightly grouped and reflect the current market value for this work. The narrow range of the bids indicate the drawings and contract documents were clear with the bid process valid. Materials availability seems to be a concern that could have impacts compressing the work schedule and in effect driving prices higher. With this in mind, staff recommends:

- Re-bid the Seminole, Indian and Apache project as the 2023-2024 project.
- Bid the 2023-2024 project earlier in the year to allow additional time for material deliveries allowing the contractors additional working time within the normal off-season construction window.
- Design and bid the Wrightsville project the following year in 2024-2025. This may allow time for cost increases to stabilize, allow additional time to pursue grant funding, and allow for material shortages to stabilize.
- Allow additional time and price data to better budget for the large Wrightsville project.

A breakdown of the recommended construction related costs for the **N. Croatan Hwy., W. Durham St., and W. Fifth Street Project** is included below:

	Project Breakdown			
N. Croatan, W. Durham, W. Fifth	**Streets & Drainage**	**Water**	**Sidewalk**	**Total**
Fred Smith Contracting, Inc. – Base Bid + Unit Price Items	$1,304,336	$632,470	$18,704	$1,955,510
Alternates – W. Fifth Sidewalk and associated drainage and driveway work			$171,490	$171,490
Contingency	$74,727	$63,247		$137,974
Engineering	$36,000	$18,220	$5,400	$59,620
Totals	**$1,415,063**	**$713,937**	**$195,594**	**$2,324,594**

If the Board of Commissioners agrees with these recommendations for the **N. Croatan, W. Durham, and W. Fifth Street Project**, a motion will be in order to:

- Approve the contract with FCS II, LLC. for 2022-2023 Street, Drainage, and Right-Of-Way Improvements Project in the amount of $2,127,000 and authorize its execution by the Town Manager;

- Approve the engineering services agreement with American Engineering in the total amount of $59,620 for construction oversight services;
- Approve a 5% not-to-exceed contingency for the streets and sidewalk portions of the project in the amount of $74,727 and a 10% contingency for the water portions of the project in the amount of $63,247; and
- Authorize expenditure of $986,000.00 from the Street Construction Capital Reserve Fund; $195,594.00 from the Sidewalks Capital Reserve Fund; $208,937.00 from the Water Capital Reserve Fund ($505,000 approved with budget); $320,000.00 from the Powell Bill Fund; $109,063.00 from the fund balance, for a total of $2,324,594; and
- Approve budget amendments to appropriate funds from the Sidewalk Construction Capital Reserve Fund, Street Construction Capital Reserve Fund, and unassigned fund balance for the 2022-2023 street, drainage, and right-of-way improvements project.

August 30, 2022

Mr. Steve Albright, Director of Public Services
Town of Kill Devil Hills
P. O. Box 1719
Kill Devil Hills, NC 27948

By e-mail

Subject: **V20010 – Kill Devil Hills Fall 2022 Projects Recommendation of Award**

Dear Mr. Albright:

At 11:00 a.m. on Thursday, August 25, 2025, American Engineering received and opened bids for the following projects:

- W. Durham St., N. Croatan Hwy., and W. Fifth Street Water and Stormwater Improvements
- Seminole St., Indian Dr., and Apache St. Water and Stormwater Improvements

This letter includes our tabulation and analysis of the bids received for the project, and our recommendation to you and to the Town.

To facilitate the use of this letter in discussions, we have numbered the remaining paragraphs.

1. Due to the size of the project, we followed formal bidding procedures. We had three (3) prospective bidders attend the July 21, 2022 mandatory pre-bid meeting. Having concerns that we still might have two or fewer actual bidders, we re-advertised the project in an effort to attract more bidders. We also scheduled a second pre-bid meeting, on August 4, for any additional bidders and one (1) attended. Thus, four prospective bidders met the requirement of having attended a mandatory pre-bid meeting: Fred Smith Company, Hatchell Concrete, Inc., EnviroTech Unlimited Construction Services and Barnhill Contracting Company. H & H Land Development also attended the earlier pre-bid meeting, but did not express an intent to bid as a prime bidder.

2. At the August 25, 2022 bid opening, three bids were received, one from each of the firms having attended the pre-bid meeting except EnviroTech and H & H Land Development. All bids appeared at the time to be in conformity with the requirements of the Contract documents in terms of format, bid bond, license number, etc. There were no irregularities or disqualifying flaws or omissions. The bids were opened and read aloud.

3. There was one bid alternate for the Durham St., N. Croatan Hwy., and W. Fifth St. project – Sheet C-103.5 (W. Fifth Sidewalk Work). As in other recent projects, we broke out several items from the Base Bid of each Project. There are two items to be paid on a unit-price basis with specified quantities:
    a. Silt Fence (500 linear feet)
    b. Watering (25 days)
4. There were no bid Alternates for the Seminole St., Indian Dr., and Apache St. project. As in other recent projects, we broke out several items from the Base Bid of each Project. They are to be paid on a unit-price basis with specified quantities:
    a. Silt Fence (500 linear feet)
    b. Watering (25 days)
5. Contractors were allowed 200 days to reach substantial completion for each project, and 235 days to reach final completion for each project.
6. The Low Bidder for the Durham St., N. Croatan Hwy., and W. Fifth St. project is **FSC II, LLC**, doing business as **Fred Smith Company** (this is the firm which purchased RPC Contracting, Inc.) We'll refer to them as Fred Smith Company for the rest of this recommendation letter. Their Bid was as follows:

    a. **Base Bid, Street and Drainage Work $1,283,586.00**
    b. **Base Bid, Water Work $632,470.00**
    c. **Base Bid, Croatan Hwy Sidewalk Work $18,704.00**
    d. Base Bid Alternate Sheet C-103.5..... $ 171,490.00
    e. Silt Fence (500 LF) ..... $ 2,000.00
    f. Watering (25 days) ..... $ 18,750.00
    g. **Total Bid ..... $ 2,127,000.00**

7. The Low Bidder for the Seminole St., Indian Dr., and Apache St. project is **Fred Smith Company.** Their Bid was as follows:

    a. **Base Bid, Street and Drainage Work $776,565.00**
    b. **Base Bid, Water Work $535,685.00**
    c. Silt Fence (500 LF) ..... $ 2,000.00
    d. Watering (25 days) ..... $ 18,750.00
    e. **Total Bid ..... $ 1,333,000.00**

8. The total Fred Smith Company bid price for the Durham St., N. Croatan Hwy., and W. Fifth St. project is 117% higher than our Engineer's Estimate, but within 6% of the other bids from Barnhill Contracting Company and Hatchell Concrete, Inc. Bids that are this close together typically indicate that this pricing accurately reflects the current market.

    The total Fred Smith Company bid price for the Seminole St., Indian Dr., and Apache St. project is 85% higher than our Engineer's Estimate. The spread among the other bids from Barnhill Contracting Company and Hatchell Concrete, Inc is 18%. While these bids are not as close to one another as on the Durham project, we feel that these bids represent accurate pricing related to the current market.

    We are currently in and have never seen a more volatile bidding climate. Material suppliers are raising prices repeatedly and unwilling to commit to delivery times. For example, pipe manufacturers have raised prices of the 30-inch and 36-inch storm drainage pipe materials roughly every month over the last few months. In addition, labor rates have increased significantly within the last year. The price of oil, which affects raw materials used to make pipe and asphalt binder, the two largest amounts of materials used within this project, has been extremely volatile over the last 6 months. Based on these conditions, we consider these bids reasonable—or at least understandable—in the midst of these most unreasonable circumstances. And we would like to thank the three bidders and their subcontractors and suppliers for the effort they've spent getting their bids together.

9. There are three recommendations that we could make, having received these bids:
    a. Award no contract.
    b. Award both contracts.
    c. Award one contract or the other.

    We discuss our recommendation related to these bids in the subsequent paragraphs.

10. Award no contract. We do not feel that this would be a viable option. Both projects will provide benefits to neighborhoods within the community and not only increase quality of life, but also work to either reduce flooding during storm events, replace asbestos-cement water main that is near the end of its useful life, or improve street surfaces. While pricing to complete this work is high, we do not see indicators that pricing is going to go lower any time soon. We believe that the impact of doing nothing is worse than the cost of completing at least some work, and therefore are not recommending this option.

11. Award both contracts. If both contracts were awarded, the total expenditure, with contingency allowances and administration, would approach $4 million. This amount of expenditure represents more than 2 times the amount of funds that were budgeted earlier this year to complete this work. This is another symptom of the considerable price increases that have occurred in the construction field since just the beginning of 2022 when the SISPC process was completed. The Town's professional leadership and its elected officials have the ability to weigh such a large expenditure against the benefits, the Town's overall revenues, reserves and available funds, and the benefits of the two projects' being completed sooner versus using available funds for other competing needs. There is also, of course, the possibility that, as high as these prices are, that they will get even higher as time passes. If you are inclined to award both projects, we certainly will support you in getting the whole package of work completed.

12. Award one contract or the other. We feel that this may be the best option for the Town with respect to the following perspectives: fiscal responsibility, quality of life, and infrastructure robustness. We therefore recommend award of one contract. We will discuss the pros and cons, from an engineering analysis of the projects and their bids, herein.

    The Seminole contract will repair streets that are at the Poor rating level. It will also replace asbestos-cement water mains that are near the end of their useful life. Storm drainage in the area will be improved, and this project represents the smaller of the two expenditures under this option.

The Durham contract will replace asbestos-cement water mains that are near the end of their useful life. Storm drainage in the area will be improved, and it should be noted that a portion of this project area has been on the Town's list of areas at high-risk for future storm flooding due to past storm events. Flooding after heavy rains results not only in standing water on private property, with risks and inconvenience to residents and visitors, but also in impassibility of streets. This project will represent the larger of the two expenditures under this option.

We have stated earlier that we are in an unprecedented environment related to pricing of infrastructure construction projects. We do not see any indicators within the economy that lead us to believe that within the next 12 months either labor, energy (specifically oil), or other construction-related materials will be in less demand than they are at this time. We also do not see any indicators within the economy that lead us to believe that supplies of these items will be increased in any significant way. This leads us to believe that the economy will continue to set the conditions where pricing on infrastructure projects will remain significantly elevated, and that future bids for the work on either of these projects are likely to stay the same or be higher within the next 12 months, and quite possibly longer.

13. In our engineering judgement, the importance of providing stormwater flooding relief to the project area for the West Durham St. project is higher than that for the Seminole St. project. The replacement of asbestos cement mains on the Durham project is slightly higher in importance than the Seminole project because in our opinion, the replacement of the asbestos cement main along N. Croatan Hwy. will increase the reliability of the water system for a greater area than that covered by just this project because it serves many street crossings for the Town. While the streets in the Seminole project have a Poor rating, they are not highly traveled and are likely to hold their current serviceability for more than a year, and quite possibly for multiple years. Lastly, if both projects were to see equal increases in pricing over the next year, the Durham project would see even higher of an increase than the Seminole project due to its higher current cost.

    We also recommend the award of the Alternate for the W Fifth St Sidewalk and related work shown on Sheet C 103.5, to maintain pedestrian safety due the increased vehicular traffic on W Fifth Street that will occur after the construction of the new WaWa.

    Taking into consideration all of the above, we recommend award of the contract for the W. **Durham St., N. Croatan Hwy., and W. Fifth St. Water and Stormwater Improvements Project, including the Bid Alternate,** to **FRED SMITH COMPANY** in the amount of **$2,127,000.00.** As noted in Paragraph 11 above, if the Town wishes to pursue both projects after all, we will support you in that effort, and the recommendation in that case is found in Paragraphs 18 through 21 on subsequent pages.

14. We wish to discuss how much total money will be needed to undertake this project, N Croatan Hwy., W Durham St. and W Fifth St.:
    a. We start with the bid price of..... **$2,127,000.00**
    b. Add a 5% contingency (non-water portion only) $74,727.00
    c. Add a 10% contingency (water portion only).....$63,247.00
    d. Add American's fee for construction oversight $59,620.00
    e. Total funding required: **$2,324,594.00**

15. It may be useful to see this same total amount apportioned into the three categories of construction work:
    a. Street and drainage improvements..... $1,405,553.00
    b. Sidewalks (N. Croatan Hwy. and W. Fifth St).....$205,104.00
    c. Water main replacement.....$713,937.00
    d. Total funding required **$2,324,594.00**

16. We have separately furnished our proposal for the construction phase services for this project, dated August 30, 2022 in the amount of **$59,620.00**. This is split $36,000.00 for street and drainage work, $5,400.00 for sidewalk work and $18,220.00 for water system work. We recommend and request that the Board of Commissioners approve this proposal for professional services.

17. If the Board sees fit to award the project, we contemplate a First Day of the Contract Time of Monday, **September 26, 2022**. With the Contract Time being 200 days, this would set the Required Date of Substantial Completion as Friday, **April 14, 2023** for all work.

18. If as discussed above, you decide to do both projects, the total money that will be needed to undertake the second project. Seminole St., Indian Dr. and Apache St. is:
    a. We start with the bid price of..... **$1,333,000.00**
    b. Add a 5% contingency (non-water portion only) $39,866.00
    c. Add a 10% contingency (water portion only).....$53,569.00
    d. Add American's fee for construction oversight $57,490.00
    e. Total funding required: **$1,483,925.00**

19. As for the second project, we also apportion it into the two categories of construction work:
    a. Street and drainage improvements..... $871,901.00
    b. Water main replacement..... $612,024.00
    c. Total funding required **$1,483,925.00**

20. We have separately furnished our proposal for the construction phase services for this project, dated August 30, 2022 in the amount of **$57,490.00**. This is split $34,720.00 for street and drainage work and $22,770.00 for water system work. This is essentially the same fee as for the first project, except we have provided a reduction of fee of approximately $2,000 from the Durham project recognizing that some of our visits to the sites of both projects can be combined into single trips to Kill Devil Hills. We recommend and request that the Board of Commissioners approve this proposal for professional services.

21. If the Board sees fit to award both projects, we contemplate a First Day of the Contract Time of Monday, **September 26, 2022**. With the Contract Time being 200 days, this would set the Required Date of Substantial Completion as Friday, **April 14, 2023** for all work of both projects.

We appreciate the continuing opportunity to be of service to Kill Devil Hills. Please let me know if there are any questions regarding this information.

Sincerely,

Patrick W. Lewis, P.E., ENV SP
Senior Engineer

American Engineering Associates – Southeast, PA

V:\2022\V22010 - Seminole St_Indian Dr & US 158 Drainage Design\Submittals\Bid Phase Support\PWL Recommend Award Durham, Croatan, W Fifth 083022.docx

Cc: Mr. Michael O'Dell, Town Clerk, 252-441-7946

Tabulation of Bids Received at: 11 a.m. on Thursday, August 25, 2022 by the Town of Kill Devil Hills, North Carolina

Project: **2022-23 Project: Seminole, Indian, and Apache Water and Stormwater Improvements**

American Engineering
830 Greenbrier Circle, Suite 110, Chesapeake, VA 23320

Percent of Engineer's Estimate --->	199.8%	227.6%	185.6%
Percent of Lowest Bid --->	107.6%	122.6%	100.0%

Project ID: V20010

	ITEM # and DESCRIPTION	Length/ Quantity	Engineer's Post-Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
			Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST
	Seminole, Indian, and Apache The project includes the overlay and reconstruction of pavement storm drainage piping and grading improvements and asbestos cement pipe replacements. Concrete work will also include partial removal and construction of existing driveway segments as necessary, and construction or replacement of curb & gutter at specified intersections. Storm drainage improvements will be installed, including HDPE pipe and "sock drain", associated drainage structures, and grass swales within the entire project area. Existing 6" asbestos-cement water main will be replaced with PVC pipe, including fittings, valves, fire hydrant assemblies, tie-ins of side street mains and transfer of all water services from the existing main to the new main. All areas shall include incidental clearing, pavement cuts/patch, reseeding and restoration, etc. As a general indication to prospective bidders of the size of the project, the approximate total length of pavement overlay/reconstruction is 2,100 linear feet (LF); length of water main replacement is approximately 1,600 LF; and length of stormwater pipe is approximately 2,100 LF.																	
1	Base Bid (non-water)		$421,325.00			$421,325.00	$996,126.00			$996,126.00	$1,353,895.00			$1,353,895.00	$776,565.00			$776,565.00
2	Base Bid (water work)			$284,352.00		$284,352.00		$418,885.00		$418,885.00		$263,810.00		$263,810.00		$535,685.00		$535,685.00
3	Total Base Bid					$705,677.00				$1,415,011.00				$1,617,705.00				$1,312,250.00
4	Base Bid Silt Fence	500				$2,500.00				$2,200.00				$3,000.00				$2,000.00
5	Base Bid Watering	25				$10,000.00				$17,500.00				$13,750.00				$18,750.00
6	Total Bid					$718,177.00				$1,434,711.00				$1,634,455.00				$1,333,000.00

Bid Requirements Checkoff:				
	Contractor's License Number Indicated?	✓	✓	✓
	Bid Bond Provided?	✓	✓	✓
	Minority Participation Information Provided?	✓	✓	✓
	Liability Insurance Information Provided?	✓	✓	✓
	Worker's Compensation Information Provided?	✓	✓	✓
	Receipt Acknowledged of Addenda #1 through #6?	✓	✓	✓

Total Contract, if Awarded by BOC:	**$718,177.00**	**$1,434,711.00**	**$1,634,455.00**	**$1,333,000.00**

ALLOWANCE FOR **CONTINGENCIES** AND USE OF **UNIT PRICE ITEMS** AT 5 PERCENT for NON-WATER WORK AND 10 PERCENT for WATER WORK

Engineer's Post-Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total
$21,691.00	$28,435.00	$0.00	$50,126.00	$50,791.00	$41,889.00	$0.00	$92,680.00	$68,532.00	$26,381.00	$0.00	$94,913.00	$39,866.00	$53,569.00	$0.00	$93,435.00

ENGINEERING COSTS, CONSTRUCTION PHASE (CONTRACT ADMINISTRATION. SURVEY STAKEOUT, SURVEY AS-BUILT DRAINAGE STRUCTURE RIMS & INVERTS)

Engineer's Post-Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total
$34,720.00	$22,770.00	$0.00	$57,490.00	$34,720.00	$22,770.00	$0.00	$57,490.00	$34,720.00	$22,770.00	$0.00	$57,490.00	$34,720.00	$22,770.00	$0.00	$57,490.00

ESTIMATED **TOTAL CONSTRUCTION COST** BY PROJECT, including BASE BID, ALTERNATES marked above as "Accepted? YES," potential cost of WATER LINE ADJUSTMENTS, allowance for CONTINGENCIES & USE OF UNIT PRICE ITEMS, and CONSTRUCTION-PHASE ENGINEERING

Seminole, Indian, and Apache Water and Stormwater Improvements	Engineer's Post Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST
	$490,236.00	$335,557.00	$0.00	$825,793.00	$1,101,337.00	$483,544.00	$0.00	$1,584,881.00	$1,473,897.00	$312,961.00	$0.00	$1,786,858.00	$871,901.00	$612,024.00	$0.00	$1,483,925.00
Total Bid, all costs	**$825,793.00**				**$1,584,881.00**				**$1,786,858.00**				**$1,483,925.00**			

AMERICAN Engineering

August 30, 2022

Mr. Steve Albright, Director of Public Services
Town of Kill Devil Hills
P. O. Box 1719
Kill Devil Hills, NC 27948

By e-mail

Subject: **V20058 – Kill Devil Hills Fall 2022-23 Projects: W. DURHAM, N. CROATAN AND W. FIFTH CONSTRUCTION PHASE SERVICES**

Dear Mr. Albright:

American Engineering is pleased to provide this proposal for services during the Construction Phase of this project. We are submitting a separate proposal for the other Fall 2022 project being bid.

For the **Construction Phase** work, our scope of services shall be as follows:

Administrative tasks to assist with contract execution including review of contractor submittal reviews for conformance to the Contract Documents; review of proposed construction change orders; field engineering oversight; attendance of bi-weekly construction progress meetings; and review of contractors' applications for payment; and preparation of Construction Record Drawings. We have estimated four (4) submittal reviews, including one resubmittal each and four (4) change order reviews.

Field survey tasks to include setting survey control; providing construction survey stakeout; and as-built surveys of storm drainage structures and other key elevations.

Should the Contractor require for us to re-establish already-complted survey stakeout at the site, he will be required to enter into a separate contract with American Engineering to complete these services.

Field oversight will not include nor constitute Construction Management, nor full-time inspection, but oversight to assist in assuring construction complies with Contract Documents.

The field inspection program we propose will include:

- An average of 1.5 hours in site visits per week (1-2 brief visits)
- An average of four 1-2-hour, on-site visits for a major meeting or unscheduled walk-through. It is anticipated that this will happen once every 2 months.
- Approximately 2 days for events needing full-time oversight, such as observing paving or pipe socking.
- Substantial Completion and Final Completion Walkthrough inspections.

Per the Contract Documents, this contract is expected to be awarded in late September 2022. Based on the Contract Documents, the construction duration for this contract is 8 months. The inspection program above will average out to about 2 hours per week, with a few skipped weeks for holiday or bad weather periods.

2022/23 Projects: Durham, Croatan, and Fifth			
Staff Classification	**Hours**	**Rate per Hour**	**Extension**
Senior Consultant (W. P. Burkhimer, Jr.)	60	$190.00	$11,400.00
Senior Project Engineer (Patrick Lewis)	62	$150.00	$9,300.00
Project Engineer (Emily Zeltmann)	140	$125.00	$17,500.00
CADD Operator (Hooten/Mills)	48	$ 85.00	$4,080.00
Licensed Surveyor	8	$150.00	$1,200.00
Survey Party Chief w/Robotic Instrument	100	$115.00	$11,500.00
Engineering Technician (Frye)	40	$90.00	$3,600.00
Clerical	10	$50.00	$500.00
Reimbursables for Reproduction			$540.00
Lump Sum Fees:			**$59,620.00**
Water Portion: $18,220.00			Street & Drainage Portion: $36,000.00 Sidewalk Portion: $5,400.00

Work not covered within the scope outlined above shall be performed at our hourly rates, which are the same as in our General Services contract of July 1, 2022. The following hourly rates will govern all work through the period of this proposal (through June 30, 2023, unless otherwise mutually agreed.)

Additional Services

Our hourly rates for the term of this proposal, which will be the basis for calculating lump sum fees and the basis of billing hourly work, are set forth below (increased rates are noted in **bold**):

Staff Categories	Hourly Rates
Principal Professional /Engineer	$180.00
Senior Consultant (W. P. Burkhimer, Jr.)	$190.00
Senior Professional /Engineer	$150.00
Project Engineer	$125.00
Engineering or Surveying Technician	$90.00
4 Person Survey Party	$155.00
3 Person Survey Party	$140.00
2 Person Survey Party/Party Chief w/Robotic Instrument	$115.00
CADD Operator	$85.00
Other Project Representative	$50.00
Clerical	$50.00

Reimbursable Expenses

Reimbursable expenses are those which are associated with professional services performed on a time and materials basis and include out-of-pocket expenditures advanced in the interest of the project. Almost all printing and copying are done in-house and are invoiced at the unit rates specified, except when they are included in lump-sum project fees. Our rates for any reimbursable expenses incurred will be:

Copies of maps, plats, deeds, plans, data, etc.	cost +10%
Long distance/Conference phone calls	cost +10%
Overnight delivery (UPS, FedEx)	cost +10%
Mileage (not charged for travel to KDH from office, & back)	$0.54 / mile
Prints/Copies on:	
Bond	$0.20/square foot
Vellum	$1.50/square foot
Mylar	$3.00/square foot
Color Prints on Bond	
Letter	$1.00/copy
Legal	$2.00/copy
12" x 24"	$3.00/copy
Large Scale	$1.50/square foot
Specialty Printing/Plotting/Mounting	cost +10%
Printing/copying/mounting by others	cost +10%

Electronic copies of drawing files will be prepared at our hourly rates. Recipients other than the Town of Kill Devil Hills and their construction contractor will be required to sign a release to receive drawing files.

We propose to perform this work subject to the terms and conditions set forth in our General Services contract with the Town of Kill Devil Hills, dated July 1, 2022.

We appreciate the opportunity to offer this information to you. If you find this proposal acceptable, please indicate by the signature, name, title and date of the appropriate official in the space provided below. This will serve as our authorization to proceed.

Patrick W. Lewis, P.E., ENV SP
Senior Project Engineer

W. P. Burkhimer, Jr., P. E.
Senior Consultant

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Cc: Mr. Michael O'Dell, Town Clerk, 252-441-7946

We accept this proposal and agree to its provisions, as set forth above.

TOWN OF KILL DEVIL HILLS

By:

Auth. Signature_____ .....

Name: _____ .....

Title: _____

Date: _____

Tabulation of Bids Received at: 11 a.m. on Thursday, August 25, 2022 by the Town of Kill Devil Hills, North Carolina

Project: **2022-23 Project: Durham, N. Croatan, and W. Fifth Water and Stormwater Improvements**

American Engineering
830 Greenbrier Circle, Suite 110, Chesapeake, VA 23320

Percent of Engineer's Estimate ---> 219.6% 229.9% 216.7%
Percent of Lowest Bid ---> 101.3% 106.1% 100.0%

Project ID: V20010

ITEM # and DESCRIPTION	Length/ Quantity	Engineer's Post-Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
		Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Waterline Cost	Sidewalk Cost	TOTAL COST
Durham, N. Croatan, and W. Fifth: The project includes storm drainage piping and grading improvements, asbestos cement pipe replacements, the overlay and reconstruction of pavements, and construction of new sidewalks. Concrete work will also include partial removal and reconstruction of existing driveway segments and sidewalks as necessary, and construction or replacement of curb & gutter at specified intersections. Storm drainage improvements will be installed, including HDPE pipe, HDPE "sock drain", HP storm and perforated HP storm, associated drainage structures, and grass swales within the entire project area. Existing 6" asbestos-cement water main will be replaced with 6" PVC pipe, including fittings, valves, fire hydrant assemblies, tie-ins of side street mains and transfer of all water services from the existing main to the new main. All areas shall include incidental clearing, pavement cuts/patch, reseeding and restoration, etc. As a general indication to prospective bidders of the size of the project, the approximate total lengths of major components are: pavement overlay/reconstruction is 875 linear feet (LF); sidewalk replacement/construction is 3,125 SF; water main replacement is 1,800 LF; and stormwater pipe is 3,100 LF.																	
1 Base Bid (non-water)		$573,101.00			$573,101.00	$1,540,281.00			$1,540,281.00	$1,739,177.49			$1,739,177.49	$1,283,586.00			$1,283,586.00
2 Base Bid (water work)			$298,637.00		$298,637.00		$405,600.00		$405,600.00		$321,540.00		$321,540.00		$632,470.00		$632,470.00
3 Base Bid Croatan Highway Sidewalk				$19,375.00	$19,375.00			$21,550.00	$21,550.00			$21,750.00	$21,750.00			$18,704.00	$18,704.00
4 Total Base Bid					$891,113.00				$1,967,431.00				$2,082,467.49				$1,934,760.00
5 Base Bid Sheet C-103.5 (Alternate Scenario)				$70,865.00	$70,865.00			$167,820.00	$167,820.00			$157,228.00	$157,228.00			$171,490.00	$171,490.00
6 Base Bid Silt Fence	500				$2,500.00				$2,200.00				$3,000.00				$2,000.00
7 Base Bid Watering	25				$17,000.00				$17,500.00				$13,750.00				$18,750.00
8 **Total Bid**					$981,478.00				$2,154,951.00				$2,256,445.49				$2,127,000.00

Bid Requirements Checkoff:	Barnhill Contracting	Hatchell Concrete	Fred Smith Company
Contractor's License Number Indicated?	✓	✓	✓
Bid Bond Provided?	✓	✓	✓
Minority Participation Information Provided?	✓	✓	✓
Liability Insurance Information Provided?	✓	✓	✓
Worker's Compensation Information Provided?	✓	✓	✓
Receipt Acknowledged of Addenda #1 through #6?	✓	✓	✓

Total Contract, if Awarded by BOC:	$981,478.00	$2,154,951.00	$2,256,445.49	$2,127,000.00

ALLOWANCE FOR **CONTINGENCIES** AND USE OF **UNIT PRICE ITEMS** AT 5 PERCENT for NON-WATER WORK AND 10 PERCENT for WATER WORK

Engineer's Post-Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total
$29,630.00	$29,863.70	$4,512.00	$64,005.70	$77,999.00	$40,560.00	$9,469.00	$128,028.00	$87,796.00	$32,154.00	$8,949.00	$128,899.00	$65,217.00	$63,247.00	$9,510.00	$137,974.00

ENGINEERING COSTS, CONSTRUCTION PHASE (CONTRACT ADMINISTRATION. SURVEY STAKEOUT, SURVEY AS-BUILT DRAINAGE STRUCTURE RIMS & INVERTS)

Engineer's Post-Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total	Street & Drainage	Waterline	Sidewalk	Total
$36,000.00	$18,220.00	$5,400.00	$59,620.00	$36,000.00	$18,220.00	$5,400.00	$59,620.00	$36,000.00	$18,220.00	$5,400.00	$59,620.00	$36,000.00	$18,220.00	$5,400.00	$59,620.00

ESTIMATED **TOTAL CONSTRUCTION COST** BY PROJECT, including BASE BID, ALTERNATES marked above as "Accepted? YES," potential cost of WATER LINE ADJUSTMENTS, allowance for CONTINGENCIES & USE OF UNIT PRICE ITEMS, and CONSTRUCTION-PHASE ENGINEERING

Durham, N. Croatan, and W. Fifth Water and Stormwater Improvements	Engineer's Post Design Estimate				Barnhill Contracting				Hatchell Concrete				Fred Smith Company			
	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST	Street & Drainage Cost	Water Cost	Sidewalk Cost	TOTAL COST
	$658,231.00	$346,720.70	$100,152.00	$1,105,103.70	$1,673,980.00	$464,380.00	$204,239.00	$2,342,599.00	$1,879,723.49	$371,914.00	$193,327.00	$2,444,964.49	$1,405,553.00	$713,937.00	$205,104.00	$2,324,594.00
Total Bid, all costs	$1,105,103.70				$2,342,599.00				$2,444,964.49				$2,324,594.00			