



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

MEMORANDUM

June 9, 2025

TO: Mayor and Board of Commissioners

FROM: Debora P. Díaz, Town Manager 

REF: New Business

2. Recommendation for Bid Acceptance for 2025-2026 Street, Drainage, and Rights-of-Way Improvements Projects

At its October 14, 2024, meeting, the Board of Commissioners approved the design and bidding of the street, drainage and right-of-way improvements project for Fiscal Year 2025/2026. The capital improvement project includes paving, drainage, sidewalk, water main replacement and related work as detailed below.

The Public Services meeting memoranda highlight that on May 22, 2025, bids were received for the project and reviewed by the Town's engineer, Emily Zeltmann, P.E., and Town Staff. Staff concurs with Ms. Zeltmann's recommendations as outlined in her attached recommendation letters and accompanying bid tabulations.

A. West Martin Street, Infrastructure Improvements (Attached NB-2A)

West Martin Street, Infrastructure Improvements (approximately 0.81 miles) - Improvements will include paving, drainage, sidewalk, water main, and related work as follows:

- **W. Martin Street (US 158 to Blue Jay Street):** Road widening to the south adding a right turn lane at US 158, sidewalk addition on the north side, asphalt paving, drainage improvements and some driveway work.
- **W. Martin Street (Blue Jay Street to Ninth Ave.):** Sidewalk addition on the north side, asphalt paving, drainage improvements, waterline work including valve and hydrant replacements and some driveway work.
- **Swan Street (Martin Street to W. Baum Street):** Sidewalk addition on the west side, fire hydrant replacements from W. Martin Street to W. Baum Street and water main replacement and pavement overlay between W. Martin Street and Airstrip Road.
- **West Baum Street (Swan Street to Sixth Ave.):** Sidewalk addition from Swan Street to Sixth Avenue along the south side to allow pedestrian crossing at Sixth stop sign controlled intersection.

Staff concurs with Ms. Zeltmann’s recommendation that the low bidder, Hatchell Concrete, Inc. is awarded the contract for the West Martin Street, Infrastructure Improvements as outlined in the attached recommendation letter.

**Breakdown of the recommended construction related costs for
the West Martin Street, Infrastructure Improvements:**

West Martin Street, Infrastructure Improvements	Base Bid			
	Streets & Drainage	Sidewalk	Water	Total
Hatchell – Base Bid + Unit Price Items	\$1,312,994	\$445,000	\$368,356	\$2,126,350
Contingency	\$65,650	\$22,250	\$36,836	\$124,736
Engineering	\$48,587	\$26,502	\$13,251	\$88,340
Grand Totals	\$1,427,231	\$493,752	\$418,443	\$2,339,426

If the Board of Commissioners agrees with the recommendations for the West Martin Street, Infrastructure Improvements, a motion will be in order for the following:

- Approve the contract with Hatchell Concrete, Inc. for 2025-2026 street, drainage, and right-of-way improvements project in the amount of \$2,126,350 and authorize its execution by the Town Manager;
- Approve the engineering services agreement with American Engineering in the total amount of \$88,340 for construction oversight services;
- Approve a 5% not-to-exceed contingency for the streets and drainage portions of the project in the amount of \$65,650, sidewalk portions of the project in the amount of \$22,250, and a 10% contingency for the water portions of the project in the amount of \$36,836;
- Authorize expenditure of \$1,247,231 from the Street Construction Capital Reserve Fund; \$180,000 from Powell Bill Funds; \$220,000 from the Sidewalk Construction Capital Reserve Fund; \$240,000 of grant funds; \$33,752 from the general fund balance; and \$418,443 from the Water Fund, for a total of \$2,339,426; and
- Approve budget amendments to appropriate funds from the Street Construction Capital Reserve, Sidewalk Construction Capital Reserve Fund, Fund Balance – Powell Bill, grant funds, and unassigned fund balances for the 2025-2026 street, drainage, and right-of-way improvements project.

Board action is requested.

B. Ocean Acres Drive, Pavement Improvements (Attached NB-2B)

This Spring Project includes pavement replacement on Ocean Acres Drive from Burns Drive to Burns Drive or approximately 0.56 miles of asphalt milling and pavement replacement. Staff concurs with Ms. Zeltmann’s recommendation that the low bidder, Fred Smith Contracting is awarded the contract for the Ocean Acres Drive Pavement Improvements as outlined in the attached recommendation letter.

Breakdown of the recommended construction related costs for the Ocean Acres Drive Pavement Improvements:

Ocean Acres Drive - Pavement Imp.	Project Breakdown		
	Streets & Drainage	Water	Total
FSC II, LLC d.b.a. Fred Smith Contracting – Base Bid + Unit Price Items	\$121,305	0	\$121,305
Contingency	\$6,066	0	\$6,066
Engineering	\$13,860	0	\$13,860
Totals	\$141,231	\$0	\$141,231

If the Board of Commissioners agrees with these recommendations for the Ocean Acres Drive Pavement Improvements, a motion will be in order to:

- Approve the contract with FSC II, LLC d.b.a. Fred Smith Contracting for 2025-2026 street, drainage, and right-of-way improvements spring project in the amount of \$121,305 and authorize its execution by the Town Manager;
- Approve the engineering services agreement with American Engineering in the total amount of \$13,860 for construction oversight services;
- Approve a 5% not-to-exceed contingency for the streets and drainage portions of the project in the amount of \$6,066;
- Authorize expenditure of \$141,231 from the Powell Bill Fund

Board action is requested.