



TOWN OF KILL DEVIL HILLS PUBLIC SERVICES

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Kill Devil Hills, NC 27948
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Water Plant (252) 480-4090
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STEPHEN F. ALBRIGHT
Director

June 9, 2025

DEREK A. DAIL
Assistant Director

Memorandum

MARCIA K. OLLIS
Administrative Services

To: Debora P. Diaz, Town Manager

ALFRED BURTON
Water Plant

From: Stephen F. Albright, Public Services Director *SA*

DAVE SPENCE
Water Systems

Subject: Recommendation for Bid Acceptance for 2025-2026
Street, Drainage and Right-Of-Way Improvements Project –
Ocean Acres Drive Pavement Improvements

L. RANDOLPH TURNER
Streets

At the October 14, 2024 meeting, the Board of Commissioners approved the bidding of the street, drainage and right-of-way improvements project for fiscal year 2025-2026. The Spring Project included pavement replacement on Ocean Acres Drive from Burns Drive to Burns Drive or approximately 0.56 miles of asphalt milling and pavement replacement.

LYNN E. LINDSEY
Solid Waste

On May 22, 2025 bids were received for the project and reviewed by the Town's engineer, Emily Zeltmann, P.E. and staff. Please find the attached recommendation of award letter from Ms. Zeltmann along with the bid tabulation for the project. 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.

A breakdown of the recommended construction related costs for the **Ocean Acres Drive Pavement Improvements** is included below:

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



May 30, 2025

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

Subject: **V24031 – West Martin Street Infrastructure Improvements
and Ocean Acres Pavement Improvements
Recommendation of Award**

Dear Mr. Albright:

On Thursday, May 22, 2025, American Engineering received and opened bids for the following project:

- West Martin Street Infrastructure Improvements
- Ocean Acres Pavement 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 and will speak to the West Martin Street Infrastructure Improvement project first and then follow with the Ocean Acres Pavement Improvement project.

1. Due to the size of the project, West Martin Street Infrastructure Improvement project, we followed formal bidding procedures. We had three (3) prospective bidders attend the April 15, 2025 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 April 22, for any additional bidders. No additional bidders showed up to the second pre-bid meeting. Thus, three prospective bidders met the requirement of having attended a mandatory pre-bid meeting: Fred Smith Company, Hatchell Concrete, Inc., and Barnhill Contracting Company.
2. At the May 22, 2025 bid opening, three bids were received, one each from Fred Smith Company, Hatchell Concrete, Inc., and Barnhill Contracting Company. All bids appeared at the time to be in conformity with the requirements of the Contract documents in terms

Subject: **WEST MARTIN STREET INFRASTRUCTURE IMPROVEMENTS
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RECOMMENDATION OF AWARD**

May 30, 2025

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of format, bid bond, license number, etc. There were no irregularities or disqualifying flaws or omissions. The bids were opened and read aloud.

3. 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. Contractors were allowed 243 days to reach substantial completion from the construction start date, and 278 days to reach final completion.

5. The Low Bidder for this project is **Hatchell Concrete, Inc.** Their Bid was as follows:

a. Base Bid (non-water)	\$1,296,744.00
b. Base Bid (water work)	\$368,356.00
c. Base Bid (Sidewalk)	\$445,000.00
d. Silt Fence (500 LF).....	\$ 2,500.00
e. Watering (25 days)\$ 13,750.00
f. Total Bid\$ 2,126,350.00

6. The total Hatchell Concrete, Inc. bid price for this project is 27.6% higher than our Engineer’s Estimate. The other bids from Barnhill Contracting Company and Fred Smith Company are 6.3% and 25% higher, respectively. Bids that are this close together typically indicate that this pricing accurately reflects the current market.

The current inflated market for construction work appears to be driven by a strong demand. Material suppliers, especially concrete and asphalt producers, have been raising prices significantly within the past 12 months. In addition, labor rates have increased significantly within the past 2 years. Based on these conditions, we consider these bids reasonable and are continuing to see evidence of pricing

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stabilization. We would like to thank the three bidders for the effort they've spent getting their bids together.

Taking into consideration all of the above, we recommend award of **West Martin Street Infrastructure Improvements** in the amount of **\$2,126,350.00**.

7. We wish to discuss how much total money will be needed to undertake this project:

- a. We start with the bid price of **\$2,126,350.00**
- b. Add a 5% contingency (non-water portion only) ...\$65,650.00
- c. Add a 10% contingency (water portion only)\$36,836.00
- d. Add a 5% contingency (sidewalk portion)\$22,250.00
- e. Add American's fee for construction oversight.....\$88,340.00
- f. Total funding required: **\$2,339,426.00**

8. It may be useful to see this same total amount apportioned into the three categories of construction work:

- a. Street and drainage improvements \$1,427,231.00
- b. Water main replacement\$418,443.00
- c. Sidewalk improvements.....\$493,752.00
- d. Total funding required **\$2,339,426.00**

9. We have separately furnished our proposal for the construction phase services for this project, dated May 30, 2025 in the amount of **\$88,340.00**. This is split \$48,587.00 for street and drainage work, \$13,251.00 for water system work, and \$26,502.00 for sidewalk. We recommend and request that the Board of Commissioners approve this proposal for professional services.

10. If the Board sees fit to award the project, we contemplate that the Contractor will receive Notice to Proceed on June 17, 2025. The Contractor will complete administrative tasks and order materials. As such, the first day of construction for the Contract will be set as

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September 8, 2025. With the Contract Time being 243 days, this would set the Required Date of Substantial Completion as Friday, **May 9, 2026** for all work.

Next, we will discuss the Ocean Acres Pavement Improvements.

1. We had two (2) prospective bidders attend the April 15, 2025 mandatory pre-bid meeting. We re-advertised the project in an effort to attract more bidders. We also scheduled a second pre-bid meeting, on April 22, for any additional bidders. No additional bidders showed up to the second pre-bid meeting. Thus, the two prospective bidders met the requirement of having attended a mandatory pre-bid meeting: Fred Smith Company and Barnhill Contracting Company.
2. At the May 22, 2025 bid opening, two bids were received, one each from Fred Smith Company and Barnhill Contracting Company. Fred Smith Company's bid was missing the acknowledgement of Addendum #1; however, since this addendum only covered a minor administrative typo in the Bid Form and had no effect on the scope or cost of the work, we recommend waiving the minor discrepancy and awarding to Fred Smith Company.
3. Contractors were allowed 241 days to reach substantial completion from the construction start date, and 255 days to reach final completion.
4. The Low Bidder for this project is **Fred Smith Company**. Their Bid was as follows:
 - a. **Total Bid**\$ **121,305.00**
5. The total Fred Smith Company bid price for this project is 57% lower than our Engineer's Estimate, and within 36% of the other bid from Barnhill Contracting Company.

We recommend award of **Ocean Acres Pavement Improvements** in the amount of **\$121,305.00**.

Subject: **WEST MARTIN STREET INFRASTRUCTURE IMPROVEMENTS
AND OCEAN ACRES PAVEMENT IMPROVEMENTS –
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6. We wish to discuss how much total money will be needed to undertake this project:
 - a. We start with the bid price of **\$121,305.00**
 - b. Add a 5% contingency (non-water portion only) \$6,066.00
 - c. Add American's fee for construction oversight.....\$13,860.00
 - d. Total funding required: **\$141,231.00**

7. We have separately furnished our proposal for the construction phase services for this project, dated May 30, 2025 in the amount of **\$13,860.00** which due to the type of project would be funded from the non-water fund. We recommend and request that the Board of Commissioners approve this proposal for professional services.

8. If the Board sees fit to award the project, we contemplate that the Contractor will receive Notice to Proceed on June 17, 2025. The Contractor will complete administrative tasks and order materials. As such, the first day of construction for the Contract will be set as September 8, 2025. With the Contract Time being 241 days, this would set the Required Date of Substantial Completion as Friday, **May 6, 2026** for all work.

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,



Emily R. Zeltmann, P.E.
Project Engineer

American Engineering Associates – Southeast, PA

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

Tabulation of Bids Received at:

10 a.m. on Thursday, May 22, 2025

by the Town of Kill Devil Hills, North Carolina

Project: **Ocean Acres Drive, Pavement Improvements**

American Engineering

830 Greenbrier Circle, Suite 110, Chesapeake, VA 23320

Project ID: V24031

ITEM # and DESCRIPTION	Length/ Quantity	Engineer's Post-Design Estimate				Barnhill Contracting Company				FSC II, LLC, dba 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
<p><i>Ocean Acres Drive, Pavement Improvements:</i> The project includes a 1.5" mill-and-fill pavement resurfacing on Ocean Acres Drive from Cimarr Drive to Burns Drive, approximately 3,000 linear feet.</p>													
Total Bid		\$211,103.00				\$165,300.00				\$121,305.00			

Bid Requirements Checkoff:	Contractor's License Number Indicated?	yes	yes
	Bid Bond Provided?	yes	yes
	Minority Participation Information Provided?	yes	yes
	Liability Insurance Information Provided?	yes	yes
	Worker's Compensation Information Provided?	yes	yes
	Receipt Acknowledged of Addenda #1?	yes	no

Total Contract, if Awarded by BOC:	\$211,103.00	\$165,300.00	\$121,305.00
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ALLOWANCE FOR CONTINGENCIES AND USE OF UNIT PRICE ITEMS AT 5 PERCENT for NON-WATER WORK												
Street & Drainage	Waterline	Sidewalk Cost	Total	Street & Drainage	Waterline	Sidewalk Cost	Total	Street & Drainage	Waterline	Sidewalk Cost	Total	
\$10,555.15	\$0.00	\$0.00	\$10,556.00	\$8,265.00	\$0.00	\$0.00	\$8,265.00	\$6,065.25	\$0.00	\$0.00	\$6,066.00	

ENGINEERING COSTS, CONSTRUCTION PHASE (CONTRACT ADMINISTRATION, SURVEY STAKEOUT, SURVEY AS-BUILT DRAINAGE STRUCTURE RIMS & INVERTS)												
Street & Drainage	Waterline	Sidewalk Cost	Total	Street & Drainage	Waterline	Sidewalk Cost	Total	Street & Drainage	Waterline	Sidewalk Cost	Total	
\$13,860.00	\$0.00	\$0.00	\$ 13,860.00	\$13,860.00	\$0.00	\$0.00	\$ 13,860.00	\$13,860.00	\$0.00	\$0.00	\$ 13,860.00	

ESTIMATED TOTAL CONSTRUCTION COST BY PROJECT, including BASE BID, ALTERNATES marked above as "Accepted? YES," potential cost of WATER LINE ADJUSTMENTS, allowance for CONTINGENCIES &

	Engineer's Post-Design Estimate				Barnhill Contracting Company				FSC II, LLC, dba Fred Smith Company			
	Street & Drainage	Waterline	Sidewalk Cost	Total	Street & Drainage	Waterline	Sidewalk Cost	Total	Street & Drainage	Waterline	Sidewalk Cost	Total
Total Bid, all costs	\$235,518.15	\$0.00	\$0.00	\$235,519.00	\$187,425.00	\$0.00	\$0.00	\$187,425.00	\$141,230.25	\$0.00	\$0.00	\$141,231.00
	\$235,519.00				\$187,425.00				\$141,231.00			



May 30, 2025

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: **V24031 – Kill Devil Hills Fall 2025-26 Project:
Ocean Acres Drive Pavement Improvements
CONSTRUCTION PHASE SERVICES**

Dear Mr. Albright:

American Engineering is pleased to provide this proposal for services during the Construction Phase of these projects.

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

The field inspection program we propose for the Ocean Acres project will include:

- Pre-Pavement Work on-site walk-through, approximately 2 hours.
- Two days of on-site pavement work inspection, 16 hours in total
- Substantial Completion and Final Completion Walkthrough inspections

In addition to the field inspection program, we will need to participate in a Pre-Pavement Conference, review up to 2 submittals, provide construction administration services including answering questions, reviewing pay applications, and attending one additional meeting, if required. Per the Contract Documents, this contract is expected to be awarded in June 2025, with construction starting as early as early September 2025.

2025/26 Project: Ocean Acres Paving Improvements			
Staff Classification	Hours	Rate per Hour	Extension
Senior Consultant (W. P. Burkheimer, Jr.)	24	\$190.00	\$4,560.00
Senior Project Engineer (Patrick Lewis)	8	\$165.00	\$1,320.00
Project Engineer (Emily Zeltmann)	40	\$140.00	\$5,600.00
Engineering Technician (Frye)	16	\$100.00	\$1,600.00
Clerical	4	\$70.00	\$280.00
Reimbursables for Reproduction			\$500.00
Lump Sum Fees:			\$13,860.00
Street and Drainage Portion: \$13,860.00			

**Subject: Kill Devil Hills Fall 2025-26 Project:
Ocean Acres Drive Pavement Improvements
CONSTRUCTION PHASE SERVICES**

May 30, 2025

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Work not covered within the scope outlined above shall be performed at our hourly rates in accordance with our General Engineering Services agreement dated May 23, 2024. Those hourly rates will govern all work through the period of this proposal.

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)	\$0.655 / 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.

**Subject: Kill Devil Hills Fall 2025-26 Project:
Ocean Acres Drive Pavement Improvements
CONSTRUCTION PHASE SERVICES**

May 30, 2025
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We propose to perform this work subject to the terms and conditions set forth in our General Engineering Services contract with the Town of Kill Devil Hills, dated May 23, 2024.

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



Emily Zeltmann, P. E.
Project Manger

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: _____

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

TOWN OF KILL DEVIL HILLS

BUDGET AMENDMENT REQUEST



<i>Finance Department Use Only</i>
<i>Budget Amendment Number: 18</i>
<i>Finance Officer: AD</i>

INCREASE (DECREASE)			INCREASE (DECREASE)		
CODE	ACCOUNT DESCRIPTION	AMOUNT	CODE	ACCOUNT DESCRIPTION	AMOUNT
5600 577010	C/O Street Construction - Capital Reserve	\$34,731.00	10 499191	Fund Balance Appr-Street Reserve	\$34,731.00
5700 577000	C/O Street Construction - Powell Bill	\$71,231.00	10 499192	Fund Balance Appr – Powell Bill	\$71,231.00
5600 577030	C/O Sidewalk Reserve	\$338,502.00	10 440084	DCTB – Martin St Sidewalk Grant	\$240,000.00
			10 499155	Fund Balance Appr - Sidewalks	\$64,750.00
			10 499100	Fund Balance Appr – Undesignated	\$33,752.00
TOTAL		\$444,464.00	TOTAL		\$444,464.00

JUSTIFICATION: To appropriate funds for the 2025-2026 Street, Drainage and Right-of-Way Improvements Project – W Martin Street, Infrastructure Improvements

RECOMMENDED:

APPROVED: _____

DATE: June 9, 2025