

41 Perimeter Center East, Suite 250 Dunwoody, Georgia 30346 P (678) 382-6700 F (678) 382-6701 dunwoodyga.gov

## <u>MEMORANDUM</u>

**To:** Mayor and City Council

**From:** Michael Smith, Public Works Director

**Date:** October 12, 2015

Subject: Funding Authorization for Chamblee Dunwoody Road

Grading, Drainage and Sidewalk Improvements

## ITEM DESCRIPTION

Request to authorize funding for grading, drainage and sidewalk improvements on Chamblee Dunwoody Road from Cambridge Drive to Womack Road utilizing the previously approved unit price contract with Georgia Development Partners.

## **BACKGROUND**

In June 2015 the city received bids for water main replacement and road improvements on Chamblee Dunwoody Road from Cambridge Drive to Roberts Drive. Three bids were received and the bid amounts varied widely. The low bidder immediately requested to withdraw their bid citing a mistake in the bid calculation. Per the city's bid requirements, the low bidder was asked to provide specific documentation to justify the basis for withdrawing the bid. The bidder did not provide sufficient documentation and agreed to forfeit their bid bond which amounted to \$218,829. The city then rejected all of the bids considering that some of the unit prices on all of the bids were higher than on other projects and that the second lowest bidder was over 50% higher than the original low bid.

In an effort to increase competition and get construction underway as soon as possible the city and county agreed to split the project into two contracts. As described on the attached map, the northern segment of the project from Womack Road to Roberts Drive only involves replacing water main and repaving the road while the southern segment from Cambridge Drive to Womack Road also includes drainage improvements, road widening for bike lanes and new sidewalks.

Recent bids combining the water main replacement with minor road construction and paving has tended to attract a limited pool of contractors specializing in water main rather than roadway construction. Because the southern segment of Chamblee Dunwoody involves a significant amount of grading, drainage and concrete work to construct bicycle and pedestrian improvements, staff sought to increase expertise and reduce costs for this portion of the work by utilizing the existing unit price contract for sidewalk construction with Georgia Development Partners.

The cost estimate provided by Georgia Development Partners to install all of the required drainage pipe, road base, concrete curb, sidewalk and landscaping is \$1,233,656. Compared to the rejected bid amounts for this part of the project, this cost is \$33,000



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higher than the lowest bid that was withdrawn and \$1.3 million less than the next lowest bid.

## **RECOMMENDED ACTION**

Staff requests authorization to provide funding through Georgia Development Partners unit price contract to perform the grading, drainage and concrete work on Chamblee Dunwoody Road between Cambridge Drive and Womack Road. Upon approval, staff will subsequently rebid the water main replacement and paving contract for this segment.

