



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Town Council

Board Meeting Date: 8/28/2018

File #: 18-297, Version: 1

SUBJECT: Consent

A Resolution Of The Board Of Trustees Of The Town Of Erie Authorizing A Construction Contract And Executing Supplemental Agreement No. 1 With PV Consulting, Inc. For The Federal Aviation Administration Grant AIP Project No. 3-08-0090-018-2018 For The Construction Of A Snow Removal Equipment Building In The Amount Of \$595,107.00 For Construction And \$45,000 For Contingency.

DEPARTMENT: Planning and Development

PRESENTER: Russell W Pennington, Town Engineer
Jason Hurd, Airport Manager

FISCAL INFORMATION:

Cost as Recommended: \$ 640,107
Balance Available: \$ 512,300
Fund: Airport
Budget Line Item Number: 530.70.110.605000.100168
New Appropriation Required: Yes (A new FAA Grant is being accepted tonight in the amount of \$616,039)

STAFF RECOMMENDATION:

Approve Resolution awarding said contract, authorizing the Mayor to execute said contract, authorizing Staff to expend contracted funds and contingency funds.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Each year, the FAA dedicates \$150,000 in General Aviation (GA) Funds to the Erie Municipal Airport for FAA approved projects. These funds comprise 90% of the project funding with the remaining 10% split between the Colorado Division of Aeronautics and the Town.

The 2018 Operating Budget includes a project to construct a Snow Removal Equipment Building (SRE) at the Erie Municipal Airport and using GA Funds that have been saved up for a few years.

A great deal of effort was put forth to attract bidders to this project. A total of nine (9) contractors with a local presence were approached to identify interest in the project. Those expressing interest were provided with the Invitation for Bids. Additionally, the advertisement for bids for the project was published for three (3) consecutive weeks in the Daily Camera newspaper prior to the bid opening. A pre-bid conference was subsequently held onsite on July 25, 2018 to answer questions and show the project to potential bidders. This meeting was well attended (two potential Prime Bidders who had already picked up Plans at that time and three potential Prime Bidders who had yet to pick up Plans).

Bids were received for the above noted project on August 1, 2018, and one (1) bid was received as summarized in the attached bid tabulation.

Because there was only one bid received, and the bid was in excess of the Engineer's Estimate of Construction Cost, Staff entered into discussions with PV Consulting, Inc. to negotiate scope/price reductions for the proposed project. Value Engineering cost savings were achieved and the new Schedule I construction cost is \$595,107.

Due to the bid being in excess of the Engineer's Estimate and the current budget allowed, the FAA has allowed the Town to borrow from next year's GA Fund. With this increase in FAA funding, the Town's match has only increased by \$10,091. CDOA is still providing \$25,908 towards the project. The budget changes will be included in the next supplemental appropriation process.

Therefore, Staff's recommendation is to award Schedule I to PV Consulting, Inc. for a total contract amount of \$595,107 contingent upon receiving both concurrence of award and the associated grant offer from the FAA.

The following budget needs to be developed for AIP No. 3-08-0090-018-2018 consisting of:
Schedule I: Construct Snow Removal Equipment Building

DESCRIPTION	AMOUNT
Construction	
Schedule I	\$595,107.00
Construction Total	\$595,107.00
Engineering	
Design Engineering	\$19,832.00
Construction Engineering	\$28,769.00
Engineering Total	\$48,601.00
Administration	
Admin Expenses (Estimated)	\$2,000.00
Utility Extension Costs (Fronted by Erie)	\$1,000.00
Administration Total	\$3,000.00
Total Project Cost	\$646,708.00
Budget Summary	
FAA Share 90.00%	\$582,037
State Share 3.8%	\$ 25,908
Local Share 6.2%	\$ 38,763

Recommendation

Staff recommends award of contract to PV Consulting, Inc. PV Consulting, Inc is familiar with this type of work and the Town's consultant has worked with PV Consulting on other similar airport projects.

File #: 18-297, Version: 1

Project Schedule

Notice of Award	August, 2018
Notice to Proceed	September, 2018
Estimated Project Completion	Spring, 2019

ATTACHMENTS:

- a. Construction Agreement
- b. Supplemental Agreement No. 1
- c. Resolution