



CITY OF NEWARK
DELAWARE

March 8, 2024

TO: Honorable Mayor & Council

FROM: Jeff Martindale, Chief Procurement & Projects Officer *JM*
Ethan Robinson, Deputy Director of Public Works & Water Resources *ER*
David Del Grande, Finance Director *DD*

VIA: Tom Coleman, City Manager *TC*

SUBJECT: Recommendation to Amend the 2024-2028 Capital Improvement Program Budget and Award a Contract Stemming from Invitation to Bid No. 24-02 (VFW Parking Lot Reconstruction) – CIP A2302

BACKGROUND

Similar to the old Municipal Center parking lot, the VFW parking lot at 100 Veterans Lane is showing severe signs of degradation. The asphalt is cracked, allowing water to infiltrate and compromise the base in addition to creating several potholes throughout the lot. The parking lot and fire lane striping throughout the lot has also faded to the point of near-uselessness as well.

The City of Newark maintains a lease agreement with the VFW for use of portions of the VFW lot during working hours, adding traffic to and wear on the lot. Additionally, the VFW allowed staff and visitors to park in the VFW lot during the Municipal Center parking lot reconstruction project, which allowed Newark to maintain standard levels of service throughout the project despite the reduced on-site parking for staff and the public.

Given Newark's historic use of the VFW lot, staff and council agreed to submit a funding request to the State Bond Bill Committee in both 2022 and 2023 for the reconstruction of the VFW lot. This funding request was successful in 2023 for the State Fiscal Year 2024 and \$200,000 of the \$3,000,000 received was earmarked for the VFW lot reconstruction. However, after finding how poor the base course of both the Municipal Center and VFW lots were and the value of the bids received, the \$200,000 is now insufficient for the project (see funding section below for additional details). It is worth noting that State prevailing wage is required for projects of this size that use Bond Bill funding. As always, this requirement drives up the cost of the project significantly compared to similar projects that don't require prevailing wage. We estimate the prevailing wage requirement adds approximately 30% to the cost of projects of this type compared to similar projects without the prevailing wage requirement.

BID PROCESS

The Purchasing Division advertised Invitation to Bid (ITB) 24-02 in The News Journal, posted the contract on the City's website (www.newarkde.gov/bids), and delivered contract documents via email to several contractors. Multiple contractors were present at the pre-bid meeting for this ITB on Wednesday, February 14. On Tuesday, March 5, the Purchasing Division received four (4) sealed bids via email, mail, or hand delivery. These bids were opened shortly after the 2:00 p.m. bid deadline. The bidders and bid amounts were as follows:

VENDOR	TOTAL BID
Advanced Paving Services	\$212,244.47
Reybold Construction	\$277,000.00
A-Del Construction Co., Inc.	\$256,961.00
Paoli Services	\$326,004.00

CONTRACTOR EXPERIENCE

Advance Paving Services has completed similar work for the Public Works and Water Resources Department working as a paving subcontractor on a previous water main replacement project. The previous paving work was completed to the satisfaction of Public Works, and we are confident the contractor has the resources and ability to complete the work in accordance with the plans, specifications, and schedule.

FUNDING & BUDGET AMENDMENT

As noted above, the funds provided specifically for the VFW parking lot paving from the Fiscal Year 2024 Bond Bill allocation is insufficient to complete this project in-and-of itself. As this property is not the City's, it is not recommended at this time to use any current resources for this project. However, a separate \$200,000 of the \$3,000,000 FY24 Bond Bill allocation was allocated to CIP I2301 (Surveillance Camera Upgrade and Refresh). Based on more favorable pricing provided by our new Video Management System vendor and staff availability to install all the cameras associated with this project within the timeline needed for use of Bond Bill funding, up to \$50,000.00 can be reallocated to the VFW repaving project to complete this project without substantially altering the intent or progress of CIP I2301. Any unused funding transferred from CIP I2301 to the VFW repaving project will be transferred back to CIP I2301 upon the VFW lot's completion.

The below tables show the distribution of costs and revenues associated with this project:

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Project Expenses	Cost
Contractual Services – Advanced Paving Services	\$ 212,244.47
Engineering Services - Pennoni Associates	\$ 19,000.00
Contract Advertisement - The News Journal	\$ 554.06
Total	\$ 231,798.53

Budget	Amount
FY24 State Bond Bill Funding – VFW Specific	\$ 200,000.00
FY24 State Bond Bill Funding – Transferred from I2301	\$ 50,000.00
Revised Budget	\$ 250,000.00

RECOMMENDATION

I move that Council approve a budget amendment to the 2024-2028 Capital Improvement Program as presented and award a contract stemming from Invitation to Bid No. 24-02 to the lowest responsible bidder Advanced Paving Services in the amount of \$212,244.47.