



## Agenda Memorandum

Agenda Item – {{section.number}}.C.

City Council Meeting  
May 8, 2023



### Strategic Priority 5: Robust Infrastructure

Provide safe and equitable access to core services and amenities by safeguarding, maintaining and improving the city's water, wastewater, stormwater, mobility and roadway systems.

**Subject:** Award of 2023 Contract to Vance Brothers, Inc. for the Slurry Seal Project with Options for Four, One-Year Renewals for 2024, 2025, 2026, and 2027

**Prepared By:** Monica Herrmann, Street Projects Specialist  
Brock Hufford, Interim Street Operations Manager

### Recommended City Council Action:

1. Authorize the City Manager to execute a contract for the Slurry Seal Project with the low bidder Vance Brothers, Inc. in the amount of \$1,150,834 plus a contingency of \$230,173, plus an additional \$45,000 for streets impacted by Utility waterline replacement trench cuts, for a total authorized expenditure not to exceed \$1,426,007 in 2023.
2. Authorize the City Manager to execute the contract with options for four, one-year renewals, subject to annual appropriation, for 2024, 2025, 2026, and 2027 for the Slurry Seal Project with low bidder Vance Brothers, Inc. based on the bid's unit prices which cannot exceed the annual percent of change for the Denver-Aurora-Lakewood Consumer Price Index for all urban consumers each year. This authorization will allow for yearly fluctuating quantities and a project contingency of 20% each year for the Slurry Seal Project, plus an additional \$45,000 for Utility trench cuts each year.

### Summary Statement:

- The 2023 Slurry Seal Project (Project) consists of the application of conventional slurry seal, the replacement of concrete curb, gutters, sidewalks, cross pans, curb ramps, and asphalt patching on 28 residential streets totaling 7.59 lane miles that have been identified by the City's computerized pavement management system.

- Formal bids were solicited for the Project on the City's website via BidNet Direct with two contractors responding.
- The low bidder Vance Brothers, Inc. (Vance Brothers) meets all of the City's bid requirements. Vance Brothers has successfully completed Slurry Seal Projects for Westminster over the past three years.
- Staff's request includes \$45,000 to allow for slurry seal application on pavements that have been impacted by Utility waterline replacement trench cuts. Historically, Staff has included a contingency to allow for sufficient funds for the trench work.
- This contract contains four one-year renewals for 2024, 2025, 2026, and 2027, as multi-year bids have shown to yield lower pricing over single year bids.
- Adequate funds were budgeted for 2023 and are available for these expenditures. Subsequent renewals are pending budget approvals in those out years.

**Fiscal Impact:**

\$1,426,007 in expenditures.

**Source of Funds:**

General Fund: Public Works & Utilities Department Street Operations Operating Budget

General Capital Improvement Fund: Arterial Roadway Rehabilitation and Improvements Account

Utility Fund: Utilities Operations Division Operating Budget.

**Policy Issue(s):**

- Should City Council award the contract for the Project contract to the low bidder, Vance Brothers?
- Should City Council authorize the City Manager to execute the contract with options for 2024, 2025, 2026, and 2027 annual contract renewals with Vance Brothers based on the year's unit prices that cannot exceed the annual percent of change of the Denver-Aurora-Lakewood Consumer Price Index (CPI-U) for all urban consumers, actual quantities, including at 20% project contingency each year and \$45,000 annually for utility waterline replacement trench work?

**Alternative(s):**

1. City Council could direct Staff to reject the bids received and rebid the Project. This alternative is not recommended because the Project was advertised on the City's website via BidNet Direct, which is the City's portal for competitive project bidding. Staff believes the low bid represents the best value to the City.

2. City Council could choose to not maintain or preserve the residential streets identified in this project. Staff does not recommend this alternative because the maintenance and preservation of these streets is in the best interest of the City.
3. City Council could direct Staff to instead resurface these roadways with one-inch overlay of Hot Mix Asphalt. With this alternative, the cost would increase by approximately 78%. Staff does not recommend this alternative. The proposed project is the most cost-effective treatment for the identified streets.
4. City Council could choose to not authorize the City Manager to execute the contract with options for four, one-year renewals for 2024, 2025, 2026, and 2027, nor authorize the annual funding for waterline replacement trench work. Staff does not recommend this alternative because multi-year bids have shown to yield lower pricing over single-year bids. Staff is also able to be more efficient with time on renewal projects compared to putting a project out to bid each year.

### **Background Information:**

Staff has used the pavement management software program (RoadMatrix) to identify 28 segments totaling 7.59 lane miles of residential pavement surface improvements throughout the City to be included in the Project. The slurry seal process has been applied successfully to City streets over the past two decades.

In recent years, the City concrete replacement project which replaced deteriorated concrete curbs, gutters, sidewalks, cross pans, and curb ramps on streets earmarked for resurfacing or seal coating, has continued into the early fall. This later completion of concrete work has delayed the start of the resurfacing or seal coating contractor into the cooler temperature months, which is not conducive to paving operations. In efforts to streamline these projects, Staff bid out the Project to include asphalt patching and concrete replacement.

Formal bids were solicited on the City's website via BidNet Direct with two contractors responding. The following sealed bids were received:

Vendor	Bid Amount
Vance Brothers, Inc	\$1,150,863.65
A-1 Chipseal	\$1,498,917.75
Staff Estimate	\$1,437,166.01

Vance Brothers submitted slurry seal bid unit price is a 42.5% increase over the 2022 unit pricing, however, its overall bid is 20% lower than the Staff estimate for the Project. Staff recommends awarding the bid to the low bidder, Vance Brothers. Vance Brothers meets all of the City's requirements and has previously completed similar projects in the Denver Metropolitan area in the last 64 years. The most recent Westminster project award to Vance Brothers was in 2020, with two successful renewal options in 2021 and 2022.

This contract includes four, one-year renewals for 2024, 2025, 2026, and 2027. Multi-year bids have shown to yield lower pricing over single-year bids. Additionally, Staff is requesting an annual funding amount of \$45,000 to allow for anticipated slurry seal application on pavements with trench cuts

following water line replacement work. Historically, Staff has included a contingency to allow sufficient funds for the trench work. This will provide improved customer service for our residents and a uniform finished product encompassing the entire pavement section.

A map and listing of locations for the Project is attached.

The proposed City Council action helps achieve the City's Strategic Plan goals to foster and maintain a beautiful, desirable, safe, and environmentally responsible City and to advance the City's long-term sustainability to provide ongoing excellence in City services and a well-planned community that meets the needs of resident now and in the future by providing a well maintained sustainable City infrastructure for the residents and guests of Westminster, while selecting a vendor that provides the best value to the City.

Respectfully Submitted,

*Mark A Freitag*

Mark A. Freitag  
City Manager

**Attachments:**

Attachment – Slurry Seal Contract with Vance Brothers CSP  
Attachment – Slurry Seal Map (Appendix A)