



# **City of Grand Island**

**Tuesday, March 12, 2019**

**Council Session**

## **Item G-5**

**#2019-87 - Approving 2nd Renewal of the 2017 Contract for  
Annual Pavement Markings for the Street Division of the Public  
Works Department**

**Staff Contact: John Collins, P.E. - Public Works Director**

# Council Agenda Memo

**From:** Shannon Callahan, Streets Superintendent

**Meeting:** March 12, 2019

**Subject:** Approving 2<sup>nd</sup> Renewal of the 2017 Contract for Annual Pavement Markings for the Street Division of the Public Works Department

**Presenter(s):** John Collins, Public Works Director

## Background

Pavement markings are a critical part of maintaining safety of the City's roadways and have strict standards on size, location, color, and reflectivity set by the Manual on Uniform Traffic Control. Since the 2014 striping season a contractor has been utilized for painted pavement marking maintenance which has allowed the Streets Division to re-organize its labor force and focus on the storm sewer cleaning program. Another benefit of utilizing contractor services is a reduction in traffic disruption accomplished by "night work", conducted during off-peak hours, and faster completion times due to the use of specialized equipment.

In February of 2017, the City of Grand Island City Council authorized the award of a pavement marking maintenance contract to Straight-Line Striping, Inc. of Grand Island, Nebraska. The renewable contract was written as a three year agreement, which includes the original term plus two opportunities to renew for an additional one-year period.

Bid Summary from February 7, 2017.

<b><i>Bidder</i></b>	<b><i>Sub-Contractor(s)</i></b>	<b><i>Exceptions</i></b>	<b><i>Total Bid</i></b>
Straight-Line Striping, Inc. Grand Island, NE	County Line Striping, LLC Grand Island, NE	None	\$86,690.95
Highway Signs, Inc. Omaha, NE	None	None	\$125,470.00
Trafcon, Inc. Lincoln, NE	None	None	\$162,520.00

A change order was approved in 2017 for a total contract amount of \$93,690.35.

A Contract renewal for the 2018 season was approved by City Council on March 13, 2018, via Resolution 2018-68, for a contract amount of \$102,339.00.

## **Discussion**

2019 will be the second and final renewal period under the existing contract with Straight-Line Striping. The one-year renewal term is contingent upon mutual agreement, by the City and the Contractor, of the original contract terms and any unit price changes.

The Streets Division and Straight-Line Striping, Inc. both have an interest in renewing the contract for the 2019 striping season. Straight-Line Striping has proposed unit price increases, due to material supplier price increases, for a total contract amount of \$108,387.25.

Straight-Line Striping has also proposed the use of the same subcontractor as last year, County Line Striping, for pavement marking symbols.

Public Works staff compared the proposed unit prices to the original bids received in 2017 and Straight-Line Striping's new unit prices are still below the other bidder(s). Therefore, these prices are considered to be fair and justified.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve the second contract renewal period of *Annual Pavement Markings 2017* to Straight-Line Striping, Inc. of Grand Island, Nebraska in the amount of \$108,387.25.

## **Sample Motion**

City Administration recommends that the Council approve the second contract renewal period of *Annual Pavement Markings 2017* to Straight-Line Striping, Inc. of Grand Island, Nebraska in the amount of \$108,387.25.

## **CONTRACT AGREEMENT**

THIS AGREEMENT made and entered into by and between **STRAIGHT-LINE STRIPING, INC.**, hereinafter called the Contractor, and the **CITY OF GRAND ISLAND, NEBRASKA**, hereinafter called the City.

WITNESSETH:

THAT, WHEREAS, in accordance with law, the City has caused contract documents to be prepared and an advertisement calling for bids to be published for *ANNUAL PAVEMENT MARKINGS 2017 (2018 CONTRACT RENEWAL)*; and

WHEREAS, the City, in the manner prescribed by law, has publicly opened, examined, and canvassed the bids submitted, and has determined the aforesaid Contractor to be the lowest responsive and responsible bidder, and has duly awarded to the said Contractor a contract therefore, for the sum or sums named in the Contractor's bid, a copy thereof being attached to and made a part of this Contract;

NOW, THEREFORE, in consideration of the compensation to be paid to the Contractor and of the mutual agreements herein contained, the parties have agreed and hereby agree, the City for itself and its successors, and the Contractor for itself or themselves, and its or their successors, as follows:

ARTICLE I. That the following documents shall comprise the Contract, and shall together be referred to as the "Agreement" or the "Contract Documents";

1. This Contract Agreement.
2. City of Grand Island's Specification for this project.
3. STRAIGHT-LINE STRIPING, INC. bid signed and dated February 6, 2017.

In the event of any conflict between the terms of the Contract Documents, the provisions of the document first listed shall prevail.

ARTICLE II. That the Contractor shall (a) furnish all tools, equipment, superintendence, transportation, and other construction materials, services and facilities; (b) furnish, as agent for the City, all materials, supplies and equipment specified and required to be incorporated in and form a permanent part of the completed work; (c) provide and perform all necessary labor; and (d) in a good substantial and workmanlike manner and in accordance with the requirements, stipulations, provisions, and conditions of the Contract documents as listed in the attached General Specifications, said documents forming the Contract and being as fully a part thereof as if repeated verbatim herein, perform, execute, construct and complete all work included in and covered by the City's official award of this Contract to the said Contractor, such award being based on the acceptance by the City of the Contractor's bid;

ARTICLE III. That the City shall pay to the contractor for the performance of the work embraced in this contract and the contractor will accept as full compensation therefore the sum (subject to adjustment as provided by the contract) of **ONE HUNDRED EIGHT THOUSAND THREE HUNDRED EIGHTY SEVEN & 25/100 DOLLARS (\$108,387.25)** for all services, materials, and work covered by and included in the contract award and designated in the foregoing Article II; payments thereof to be made in cash or its equivalent in the manner provided in the General Specifications.

The City of Grand Island, Nebraska operates on a fiscal year beginning October 1st and ending on the following September 30th. It is understood and agreed that any portion of this agreement which will be performed in a future fiscal year is contingent upon the City Council adopting budget statements and appropriations sufficient to fund such performance.

ARTICLE IV. The Contractor hereby agrees to act as agent for the City in purchasing materials and supplies for the City for this project. The City shall be obligated to the vendor of the materials and supplies for the purchase price, but the Contractor shall handle all payments hereunder on behalf of the City. The vendor shall make demand or claim for payment of the purchase price from the City by submitting an invoice to the Contractor. Title to all materials and supplies purchased hereunder shall vest in the City directly from the vendor. Regardless of the method of payment, title shall vest immediately in the City. The Contractor shall not acquire title to any materials and supplies incorporated into the project. All invoices shall bear the Contractor's name as agent for the City. This paragraph will apply only to these materials and supplies actually incorporated into and becoming a part of the finished product of the ANNUAL PAVEMENT MARKINGS 2017.

ARTICLE V. That the Contractor shall start work as soon as possible after the Contract is signed and the required bonds and insurance are approved, and that the Contractor shall deliver the equipment, tools, supplies, and materials F.O.B. Streets Division, and complete the work in accordance with the schedule as noted in the Detailed Specification of the bidding documents.

ARTICLE VI. The Contractor agrees to comply with all applicable State fair labor standards in the execution of this Contract as required by Section 73-102, R.R.S. 1943. The Contractor further agrees to comply with the provisions of Section 48-657, R.R.S. 1943, pertaining to contributions to the Unemployment Compensation Fund of the State of Nebraska. During the performance of this Contract, the Contractor and all subcontractors agree not to discriminate in hiring or any other employment practice on the basis, of race, color, religion, sex, national origin, age or disability. The Contractor agrees to comply with all applicable Local, State and Federal rules and regulations. The Contractor agrees to maintain a drug-free workplace policy and will provide a copy of the policy to the City upon request. Every public contractor and his, her or its subcontractors who are awarded a contract by the City for the physical performance of services within the State of Nebraska shall register with and use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska.

ARTICLE VII. Gratuities and kickbacks: City Code states that it is unethical for any person to offer, give, or agree to give any City employee or former City employee, or for any City employee or former City employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor. It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order

ARTICLE VIII. The City reserves the right to terminate this contract at any time upon 60 days notice. If the contract is terminated, the contractor will be compensated for any services rendered to date of termination.

**STRAIGHT-LINE STRIPING, INC.**

By \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

**CITY OF GRAND ISLAND, NEBRASKA**

By \_\_\_\_\_ Date \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

The contract and bond are in due form according to law and are hereby approved.

\_\_\_\_\_ Date \_\_\_\_\_  
Attorney for the City

## **APPENDIX A – TITLE VI NON-DISCRIMINATION -**

During the performance of this agreement, the consultant, for itself, its assignees and successors in interest (hereinafter referred to as the "consultant") agrees as follows:

- (1) **Compliance with Regulations:** The consultant shall comply with the Regulation relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, and the Federal Highway Administration (hereinafter "FHWA") Title 23, Code of Federal Regulations, Part 200 as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this agreement.
- (2) **Nondiscrimination:** The Consultant, with regard to the work performed by it during the agreement, shall not discriminate on the grounds of race, color, or national origin, sex, age, and disability/handicap in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The consultant shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR, section 21.5 of the Regulations, including employment practices when the agreement covers a program set forth in Appendix B of the Regulations.
- (3) **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the consultant for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor supplier shall be notified by the consultant of the consultant's obligations under this agreement and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin, sex, age, and disability/handicap.
- (4) **Information and Reports:** The consultant shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City of Grand Island or the FHWA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a consultant is in the exclusive possession of another who fails or refuses to furnish this information the consultant shall so certify to the City of Grand Island, or the FHWA as appropriate, and shall set forth what efforts it has made to obtain the information.
- (5) **Sanctions for Noncompliance:** In the event of the consultant's noncompliance with the nondiscrimination provisions of this agreement, the City of Grand Island shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
  - (a.) withholding of payments to the consultant under the agreement until the consultant complies, and/or
  - (b.) cancellation, termination or suspension of the agreement, in whole or in part.
- (6) **Incorporation of Provisions:** The consultant shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The consultant shall take such action with respect to any subcontract or procurement as the City of Grand Island or the FHWA may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event a consultant becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the consultant may request the City of Grand Island to enter into such litigation to protect the interests of the City of Grand Island, and, in addition, the consultant may request the United States to enter into such litigation to protect the interests of the United States.

RESOLUTION 2019- 87

WHEREAS, the City of Grand Island City Council authorized a contract, in the amount of \$86,690.95, via Resolution No. 2017-53 , for Annual Pavement Markings 2017 with Straight-Line Striping, Inc. of Grand Island, Nebraska on February 28, 2017; and

WHEREAS, on August 22, 2017, via Resolution No. 2017-229 , Change Order No. 1 was approved to such contract in the amount of \$7,000.00, for a total contract amount of \$93,690.35; and

WHEREAS, the contract allowed for two additional one-year terms pending mutual agreement between the City and the Contractor, including negotiated unit price adjustments; and

WHEREAS, the City of Grand Island City Council approved the first contract renewal period on March 13, 2018, via Resolution 2018-68; and

WHEREAS, Straight-Line Striping, Inc. of Grand Island, Nebraska submitted justified unit price changes and proposed County Line Striping as a subcontractor for the 2019 contract renewal period, and has fulfilled other statutory requirements contained therein; and

WHEREAS, based on the City's estimated quantities and the proposed unit prices the total estimated cost for the 2019 contract renewal period is \$108,387.25.00; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the unit prices and subcontractor proposed by Straight-Line Striping, Inc. of Grand Island, Nebraska for the Annual Pavement Markings 2017second contract renewal period is mutually agreeable.

BE IT FURTHER RESOLVED, that a contract renewal for such project between the City and such contractor be entered into, and the Mayor is hereby authorized and directed to execute such contract on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, March 12, 2019.

\_\_\_\_\_  
Roger G. Steele, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
March 8, 2019	☐ City Attorney