



MEMO

TO: President and Members of Council

FROM: Public Works

SUBJECT: Extension of Paving Contract

DATE: March 21, 2016

Walsh and Kelly, Inc. successfully bid for the Town's asphalt paving in 2013 as the lowest responsible bidder. The Town chose to extend the contract in both 2014 and 2015. This firm has done an excellent job for the Town since 1998.

Once again, Walsh and Kelly have offered to hold their prices from 2013 through December 31, 2016. The prices are:

- Grinding is \$1.80/ sq yd.
- Bituminous surface @ \$67.00/ton
- Bituminous binder @ \$57.00/ton.
- Tack coat \$3.50/gal.
- Residential curbs \$25/lft
- Commercial curbs \$20/lft.

These prices are on average 10% lower in comparison to what neighboring communities pay.

The renewal of this type of contract is allowed under Indiana Code 5-22-17-4. When it is in the best interest of a municipality and the contractor agrees, a contract may be renewed at the same prices. There are some distinct advantages for the Town. First, the extension takes away any uncertainty about the contract price. Further, because the Town has a good contractor at good prices, staff will be able to determine far in advance exactly what universe of work can be completed during this construction season. This helps us plan our work more effectively and make our efforts to serve residents more efficient.

Recommendation:

The Town Council authorize Town Manager to extend the existing contract at unchanged prices with Walsh and Kelly, Inc. through December 31, 2016.