



# City of Fayetteville, Arkansas

113 West Mountain Street  
Fayetteville, AR 72701  
(479) 575-8323

## Legislation Text

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**File #:** 2024-1750

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**Bid 24-22, Kajacs Contractors, Inc. – Construction Contract for Highway 16 East Utility Relocations (ArDOT Project 040785)**

A RESOLUTION TO AWARD BID #24-22 AND AUTHORIZE A CONTRACT WITH KAJACS CONTRACTORS, INC. IN THE AMOUNT OF \$4,349,500.00 FOR CONSTRUCTION OF WATER AND SEWER UTILITY RELOCATIONS ALONG HIGHWAY 16, TO APPROVE A PROJECT CONTINGENCY IN THE AMOUNT OF \$435,000.00, AND TO APPROVE A BUDGET ADJUSTMENT

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby awards Bid #24-22 and authorizes Mayor Jordan to sign a contract with Kajacs Contractors, Inc. in the amount of \$4,349,500.00 for the construction of water and sewer utility relocations along Highway 16, and further approves a project contingency in the amount of \$435,000.00

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached to this Resolution.



**MEETING OF MARCH 5, 2024**

**TO:** Mayor Jordan and City Council  
**THRU:** Susan Norton, Chief of Staff  
**FROM:** Tim Nyander, Utilities Director  
**SUBJECT:** **Bid 24-22, Kajacs Contractors, Inc. – Construction Contract for Highway 16 East Utility Relocations (ArDOT Project 040785)**

**RECOMMENDATION:**

Staff recommends awarding Bid 24-22 and approving a construction contract with Kajacs Contractors, Inc. in the amount of \$4,349,500.00 for construction of water and sewer utility relocations associated with ArDOT Project 040785, approval of a project contingency in the amount of \$435,000.00, and approval of a Budget Adjustment recognizing revenue in the amount of \$1,755,876.93.

**BACKGROUND:**

On January 24, 2024 the City of Fayetteville accepted sealed competitive bids for the Highway 16 East Utility Relocations project. Kajacs Contractors, Inc. submitted the lowest bid. All bids are shown here:

|                                 |                |
|---------------------------------|----------------|
| <i>KAJACS Contractors, Inc.</i> | \$4,349,500.00 |
| Tri Star Contractors            | \$4,465,992.19 |
| Brothers Construction, Inc.     | \$5,693,191.00 |

**DISCUSSION:**

The Arkansas Department of Transportation has requested utility relocations to prepare for the widening of Highway 16 from Stone Bridge Rd. to Roberts Rd. The relocations are 42.49% reimbursable to the City of Fayetteville by ARDOT based on the previously approved Relocation Agreement (Resolution 134-23). Betterments are being constructed to upgrade the 8-inch waterline to 18-inch diameter per existing master plans to ensure long-term capacity is available to the Elkins area. Below is a summary of expenses and the reimbursement calculation:

|  |                |
|--|----------------|
| Total Est. Project Cost per Relocation Agreement<br>(Construction, Engineering, Easements) | \$5,032,412.48 |
| Betterments  | (\$899,965.00) |
| Sub Total  | \$4,132,447.48 |
| ArDOT Reimbursement (42.49% of Sub Total)  | \$1,755,876.93 |
| City Project Cost (remainder of Sub Total)   | \$2,376,570.55 |

Mailing address:

113 W. Mountain Street  
Fayetteville, AR 72701

[www.fayetteville-ar.gov](http://www.fayetteville-ar.gov)

Total City Project Cost including Betterments      \$3,276,535.55

**BUDGET/STAFF IMPACT:**

Funds are available for this project in the Water/Sewer Relocations account.

**PURCHASE ORDER DETAILS:**

| GL ACCOUNT            | PROJECT    | AMOUNT         |
|-----------------------|------------|----------------|
| 5400.720.5600-5808.00 | 11011.2102 | \$3,262,125.00 |
| 5400.720.5700-5815.00 | 11011.2102 | \$1,087,375.00 |
| TOTAL                 |            | \$4,349,500.00 |

**ATTACHMENTS:** SRF (#3), BA (#4), Bid 24-22 Bid Tab - Final (#5), Bid 24-22 Submittal - Kajacs Contractors Inc. - E (#6), Bid 24-22 Agreement (#7)