



Date of Council Meeting: November 13, 2012

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Awarding the construction contract for the Airport Hangar D Repair project and a supplemental appropriation from settlement proceeds.

Staff Contact: Renée LaFollette, PE, Director of Capital Projects
Kaj Dentler, Deputy Town Manager/Airport Director
Scott Coffman, Airport Manager

Recommendation: Town staff recommends the construction contract to repair hangar D at the Leesburg Executive Airport be awarded to Total Construction Services, Inc. in the amount of \$10,284. Staff also recommends a supplemental appropriation in the amount of \$21,784 from the legal settlement proceeds provided to the Town by the previous contractor in order to fund the construction contract, inspection services, and project contingency.

Issue: Should Town Council award a construction contract for the repair of hangar D at the Leesburg Executive Airport, and authorize a supplemental appropriation to fund the project?

Fiscal Impact: The repair work required for hangar D at the airport is covered by the proceeds of the settlement agreement between the Tyree Corporation and the Town of Leesburg, in the amount of \$115,000. The repair work will cost \$10,284, and the inspection costs are estimated to be \$6,500. A reasonable contingency for the project is \$5,000. As a result, a supplemental appropriation in the amount of \$21,784 is required to perform the repair work.

Background: In 2001, hangar buildings C and D were constructed along with the associated ramp areas under the contract titled Airport North Area Development Phase II. This contract had been awarded to the Tyree Organization in March of 2001 with construction beginning in May of 2001. The project was substantially completed in January 2002, and the Town incurred significant difficulty getting punch list items resolved including roof leaks, pavement drainage, structural and electrical issues. The Town filed suit against the contractor of record and the bonding company to resolve the deficiencies found in the project. Before the case was scheduled for trial, a settlement was reached with the Tyree Organization and the bonding company. As a part of that settlement, some repair work was completed and a cash settlement in the amount of \$115,000 was received by the Town in two separate payments. This money is designated for the sole purpose of repairing/maintaining the hangars and paved areas around hangars C and D.

At this time, there is one column in the D hangar that is showing signs of distress and needs to be corrected. In response to a public solicitation for the Airport North Area Development Phase II structural repair of hangars and centering/balancing of hangar doors, the Town received three quotes on October 11, 2012. The quotes received were as follows:

- | | |
|-------------------------------------|-------------|
| • Total Construction Services, Inc. | \$10,284.00 |
| • National Door Service, Inc. | \$26,750.00 |
| • ASIL's Services | \$44,289.37 |

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The quotes were evaluated by the Director of Capital Projects and the Chief Procurement Officer in accordance with the Town's Purchasing Policy. Total Construction Services of Fredericksburg, Virginia was determined to be the lowest responsive and responsible bidder.

This is a unit price contract. The estimated quantities multiplied by the unit price have established the not to exceed contract price. Change order procedures are detailed in the request for quote.

Construction is anticipated to begin fall 2012 and be substantially complete winter 2012.

A RESOLUTION: AWARDING THE CONSTRUCTION CONTRACT FOR THE AIRPORT HANGAR D REPAIR AND A SUPPLEMENTAL APPROPRIATION FROM SETTLEMENT PROCEEDS

WHEREAS, the bids were evaluated by the Director of the Office of Capital Projects and the Chief Procurement Officer in accordance with the Town's Procurement Policy; and

WHEREAS, Total Construction Services, Inc. was determined to be the lowest responsive and responsible bidder; and

WHEREAS, this is a unit price contract and the estimated quantities multiplied by the unit price have established the not to exceed contract price; and

WHEREAS, change order procedures are detailed in the request for quote; and

WHEREAS, the total estimated cost of the projects including construction, inspection, and contingency is \$21,784; and

WHEREAS, a supplemental appropriation from the settlement funds in the amount of \$21,784 is needed to complete the repairs.

THEREFORE, RESOLVED by the Council of the Town of Leesburg in Virginia that:

SECTION I: The Town Manager is authorized to execute a contract in a form approved by the Town Attorney with Total Construction Services, Inc. in the amount of \$10,284 for the Airport Hangar D Repair.

SECTION II: A supplemental appropriation is to be made in the amount of \$21,784 to cover the construction costs of \$10,284, inspection costs of \$6,500, and a contingency of \$5,000.

PASSED this ___ day of November, 2012.

Kristen C. Umstattd, Mayor
Town of Leesburg

ATTEST:

Clerk of Council