

OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION

Resolution Approving the Selection of The Shelly Company for Project No. 59-24-01 for the Total Amount of \$11,653,577.85

WHEREAS, the Ohio Turnpike and Infrastructure Commission (“Commission”) published a notice in accordance with law to advertise an invitation to bid on a contract for Repairs and Resurfacing, Eastbound and Westbound Roadways, at Milepost 50.85 to 55.45, in Lucas County, Ohio, and designated as Project No. 59-24-01; and

WHEREAS, the Commission received two (2) bids to perform the Contractor’s obligations on the Project, and the report of the Commission’s Design and Planning Engineer and Roadway Engineer concerning the review and analysis of the bids is before the Commission; and

WHEREAS, both bids were in excess of ten percent (10%) above the Engineer’s estimate and, pursuant to Article V of the Instructions to Bidders, the Commission convened the Construction Contracts Award Committee (“CCAC”) to determine if the bid prices are within reasonable conformance with the Engineer’s estimate and a bid price may be accepted by the Commission upon a recommendation by the Committee; and

WHEREAS, the CCAC met on January 12, 2024, and after considering the Commission consultant’s evaluation memorandum and information provided by the Commission’s Engineering staff, the CCAC determined that the apparent low bid submitted by The Shelly Company (“Shelly”) should be accepted for the reasons set forth in the CCAC memorandum dated January 16, 2024, which is before the Commission and summarized below:

- The Project was advertised on December 6, 2023, and the Commission received two (2) bids; readvertising the Project is not likely to attract more bidders and would negatively impact the schedule, likely extending the repairs and resurfacing work into the following year’s construction season;
- There is only an 8.1% difference between the bidders submitted pricing, which represents competitive and consistent pricing;
- A delay in awarding the Project would negatively impact the completion timeframe of the project. Specifically, rebidding the project would result in the project not being awarded until the April 15, 2024, Commission Meeting, which would make the contract execution in the early-May 2024 timeframe and increase costs to ensure timely completion (i.e., accelerated construction costs in 2024 and/or increased cost for any 2025 work);
- The largest disparities were Asphalt Concrete, Full Depth Pavement Repairs, Maintaining Traffic and Mobilization:
 - General Section – The Engineer’s Estimate for these items was \$5,515,383.00 and Shelly’s bid for these items was \$7,848,985.50.
 - The raw materials to make the intermediate and surface course asphalt have risen in price significantly since last year, approximately 20% year over year. Trucking availability has decreased and the cost for the trucking of the asphalt items has gone up approximately 40% over the past two years.
 - The full-depth Pavement Repairs are tedious, requiring multiple pieces of equipment and labor to complete. Completing the repairs at night offers no efficiency to the Contractor. The Shelly Company approximated a 15% premium to doing this work at night.
 - The increase in Maintaining Traffic and Mobilization is a trickle down of the inefficiencies encountered with doing the full depth repairs at night. Every night the Maintenance of Traffic necessary for these repairs need to be set up and subsequently taken down the next morning or early afternoon, day in and day out for weeks. With the scope of work for this project, massive amounts of equipment need to be moved in and out of the jobsite numerous times.
 - Engineering Staff are not privy to these inside market conditions at the time of bidding for these projects, hence the deficiencies within the Engineer’s Estimate prepared by the Engineering Department for this

project.

- Pricing and availability of construction labor and materials is not expected to decrease in the foreseeable future;
- There are no scope items that could be removed to still accomplish the intent and the requirements of the Project;
- Awarding the Project to the low bidder, Shelly, will not adversely affect the Commission's Capital Program or financial condition;
- Shelly has committed to meet the SBE goal for the Project;
- Shelly's bid appears balanced; and
- Shelly appears to have the capacity to perform the Project.

WHEREAS, the CCAC reports that Shelly submitted the apparent low bid on the Project in the total bid amount of \$11,653,577.85 which it recommends the Commission accept and approve authorization for the Executive Director to award; and

WHEREAS, the Director of Contracts Administration determined that bids for the Project were solicited on the basis of the same terms and conditions and the same specifications, that selecting the bid of Shelly conforms to the requirements of Ohio Revised Code Sections 153.54, 5537.07 and 9.312, and Shelly submitted a performance bond with good and sufficient surety; and

WHEREAS, the Office of Equity and Inclusion has found that Shelly has made a good faith effort to attain the participation of small or otherwise disadvantaged businesses on the Project and has made a commitment to meet the SBE participation goal of 10% for the Project; and

WHEREAS, Commission action is necessary to approve the Contract in accordance with Article V, Section 1.00 of the Commission's Bylaws because the amount of the bids received will require expenditures under the Project that will exceed \$150,000.00; and

WHEREAS, the CCAC recommends the Commission select Shelly as the lowest responsive and responsible bidder for the Project; and

WHEREAS, the Commission's Executive Director concurs with the CCAC's recommendation that the Commission approve the award of the Project to Shelly as the lowest responsive and responsible bidder; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED, by the Ohio Turnpike and Infrastructure Commission that the bid of The Shelly Company for Project No. 59-24-01 in the amount of \$11,653,577.85 is approved as the lowest responsive and responsible bid received and the Executive Director is authorized to execute a contract based on said bid.

(Resolution No. 26-2024 adopted February 20, 2024)