



PURCHASING DEPARTMENT

**24-024 RESIDENTIAL ASPHALT
OVERLAY PROGRAM**

**CONSTRUCTION AGREEMENT
FOR RESIDENTIAL ASPHALT OVERLAY PROGRAM
CITY OF NORTH RICHLAND HILLS AND
PAVECON PUBLIC WORKS LLP.**

THIS CONSTRUCTION AGREEMENT (“Contract”) is made and entered by and between PAVECON PUBLIC WORKS LLP., (hereinafter referred to as "Contractor"), and the CITY OF NORTH RICHLAND HILLS, TEXAS, a municipal corporation (hereinafter referred to as "City" or “Owner”), to be effective upon the date executed by the City.

For and in consideration of the covenants and agreements contained herein, and for the mutual benefits to be obtained hereby, the parties hereto agree as follows:

I. CONTRACT DOCUMENTS

The parties agree that the Contract Documents shall consist of the following:

1. This signed Construction Agreement;
2. Any and all Addendum(s);
3. “Notice to Bidders” advertisement;
4. The Contractor’s Bid Proposal
5. Special Instruction to Bidders;
6. General Conditions of Bid #24-024;
7. Special Conditions of Bid #24-024;
8. The Specifications of Bid #24-024;
9. The Plans/Drawings of Bid #24-024;
10. Payment Bond;
11. Performance Bond; and
12. Insurance Certificate(s)

These contract documents form the construction agreement and are a part of this construction agreement as if fully set forth herein. The contract documents are complementary and what is called for by one shall be as binding as if called for by all. In the event of an inconsistency in any of the provisions of the contract documents, the inconsistency shall be resolved by giving precedence to the contract documents in the order in which they are listed above.

II. THE WORKS

Contractor shall provide all labor, supervision, materials, and equipment necessary to perform all work required by the contract documents in connection with the construction of Residential Asphalt Overlay Streets (“work”), through Bid #24-024 in accordance with a Scope of Work in the form of **Exhibit “A,”** for each service provided under this Contract. Each Scope of Work shall be incorporated herein and governed by the terms and conditions of this contract.

III. TIME OF COMMENCEMENT; COMPLETION

Contractor shall commence work within ten (10) calendar days after receiving from City a Notice to Proceed for a work order. The Term of this Contract shall be for 12 months. The City shall have the option to renew this Contract for four (4) additional 12-month period in accordance with Section 39 of the Special Conditions. The Date of Completion for the work shall be set forth in the Scope of Work for each service provided under this Contract.

IV. CONTRACT PRICE

The City shall pay the Contractor in currently available funds for the performance of the work, subject to additions and deductions by change orders as provided in the contract documents, a total amount not to exceed ONE MILLION FOUR HUNDRED FIFTY-TWO THOUSAND FIVE HUNDRED TEN AND 00/100 DOLLARS (\$1,452,510.00) (“**Contract Price**”). Payment will be due upon completion of work and acceptance of the work by the City.

Within the following thirty (30) days, Owner shall make partial payments to the Contractor for work performed during the preceding calendar month as estimated by the Owner or Owner's Representative. Ten percent (10%) of each estimate shall be retained by the Owner until final completion and acceptance of all work covered by the Contract for the specific Scope of Work for contracts less than four hundred thousand dollars (\$ 400,000.00) in total Contract Price. Five percent (5%) of each estimate shall be retained by the Owner until final completion and acceptance of all work covered by the Contract for the specific Scope of Work for contracts equal to or greater than four hundred thousand dollars (\$ 400,000.00) in total Contract Price. Upon completion and acceptance of all work in compliance with the Contract, the Owner shall, within thirty (30) days, pay the Contractor the balance due under the terms and conditions of the Contract.

V. CHOICE OF LAW; VENUE

The parties agree that the laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this construction agreement, and that the exclusive venue for any legal proceeding involving this construction agreement shall be Tarrant County, Texas. No additional work shall be authorized or charged for unless authorized by a change order signed by a person authorized by the City to do so. In the event of litigation between the parties, the parties shall be entitled to reasonable attorney's fees that are necessary, equitable and just, in accordance with applicable law, and as awarded by a court of competent jurisdiction.

VI. INSURANCE

The Contractor shall, at his own expense, maintain and keep in force insurance coverage in the minimum amounts as specified in the general conditions and specifications of Bid #24-024, with the City as an additional named insured providing primary coverage. Certificates of coverage, including workers compensation insurance, must be submitted with the contract. Insurance coverage must also cover all subcontractors employed by Contractor. Insurance coverage shall be written by companies approved by the State of Texas and acceptable to the Owner.

All required insurance certificates must be submitted prior to commencement of work.

VII. TERMINATION

A) Either party may terminate this Contract at any time for cause or convenience by providing ninety (90) days' written notice to the other party. Upon the receipt of such notice, Contractor shall immediately discontinue all services and work and the placing of all orders or the entering into contracts for all supplies, assistance, facilities and materials in connection with the performance of this Contract and shall proceed to cancel promptly all existing contracts insofar as they are chargeable to this Contract. Contractor shall not be entitled to lost or anticipated profits should City choose to exercise its option to terminate.

B) Non-appropriation of Funds.

In the event no funds or insufficient funds are appropriated by the City in any fiscal period for any payments due hereunder, City will notify Contractor of such occurrence and this Agreement shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to the City of any kind whatsoever, except as to the portions of the payments herein agreed upon for which funds have been appropriated.

VIII. FORCE MAJEURE

Neither party shall be liable for failure to perform its obligations under this Contract if the performance is delayed or prevented by reason of war; civil commotion; acts of God; inclement weather; epidemics; pandemics; governmental restrictions, regulations, or interferences; fires; strikes; lockouts, national disasters; riots; material or labor restrictions; transportation problems; or any other circumstances which are reasonably beyond the control of the party. Such party's performance shall be excused for the length of time the force majeure event lasts, provided that party makes a reasonable attempt to resume performance upon conclusion of the force majeure event, unless such performance has become legally impossible, in which case that party may terminate the Contract.

IX. CONFIDENTIAL INFORMATION

Contractor understands and acknowledges that Contractor will be provided with Owner information that may be confidential by law, rule, statute, ordinance or legal order. Contractor shall not disclose any information deemed confidential to any party who is not privy to or who does not have a special right of access to said information. Contractor agrees to use confidential information for purposes of providing the services contemplated herein only as determined by the City. Disclosure of, or unauthorized use of or access to, any confidential information by Contractor is a material breach of this Agreement. If Contractor violates this provision, and in addition to any other remedies at law or in equity that the City may have, the City may immediately obtain injunctive relief in a court of competent jurisdiction enjoining any continuing or further breaches and exercise any further remedies as authorized by law. Contractor agrees to indemnify and hold the City harmless for any claims or damages caused by Contractor's breach of this confidentiality provision.

X. RIGHT TO AUDIT

During the term of this Contract, and at any time within three (3) years following the expiration of this Contract, the City shall have the right of access to all information held in the possession of the Contractor related to services performed under this Contract, for audit purposes or otherwise. Contractor agrees to provide access to such information unless expressly prohibited from doing so by court or other governmental order. Except in the event of an emergency, the City will provide reasonable advance notice of any intended audits and the need for the information. Contractor agrees that it will keep records relating to the services provided hereunder for as long as required by law.

XI. NOTICES

Any notice required to be given hereunder shall be given by certified mail, return receipt to the following addresses:

If to City:
City of North Richland Hills
Attn: Paulette Hatman, City Manager
4301 City Point Drive
North Richland Hills, Texas 76180
Email: phartman@nrhtx.com
Phone: (817) 427-6004
With copy to the City Attorney at the same address.

If to Contractor:
Pavecon Public Works LLP.
~~Jason Jones~~ Chris Thomas
3022 Roy Orr Blvd.
Grand Prairie, Texas, 75050
Email: jjones@pavecon.com cthomas@pavecon.com
Phone: 972-263-3223

XII. DISPUTE RESOLUTION Except in the event of termination pursuant to Section VII(B) of this Contract, if either City or Contractor has a claim, dispute, or other matter in question for breach of duty, obligations, services rendered or any warranty that arises under this Contract, the parties shall first attempt to resolve the matter through this dispute resolution process. The disputing party shall notify the other party in writing as soon as practicable after discovering the claim, dispute, or breach. The notice shall state the nature of the dispute and list the party’s specific reasons for such dispute. Within ten (10) business days of receipt of the notice, both parties shall commence the resolution process and make a good faith effort, either through email, mail, phone conference, in person meetings, or other reasonable means to resolve any claim, dispute, breach or other matter in question that may arise out of, or in connection with this Agreement. If the parties fail to resolve the dispute within thirty (30) days of the date of receipt of the notice of the dispute, then the parties shall submit the matter to non-binding mediation in Tarrant County, Texas, upon written consent of authorized representatives of both parties in accordance with the Industry Arbitration Rules of the American Arbitration Association or other applicable rules governing mediation then in effect. The mediator shall be agreed to by the parties. Each party shall be liable for its own expenses, including attorney’s fees; however, the parties shall share equally in the costs of the mediation. If the parties cannot resolve the dispute through mediation, then either party shall have the right to exercise any and all remedies available under law regarding the dispute. Notwithstanding the fact that the parties may be attempting to resolve a dispute in accordance with this informal dispute resolution process, the parties agree to continue without delay all of their respective duties and obligations under this Agreement not affected by the dispute. Either party may, before or during the exercise of the informal dispute resolution process set forth herein, apply to a court having jurisdiction for a temporary restraining order in injunction where such relief is necessary to protect its interests.

XIII. ENTIRE AGREEMENT; AMENDMENTS; BINDING EFFECT

This construction agreement, including the contract documents listed in Paragraph I represents the entire and integrated agreement between City and the Contractor, and supersedes all prior negotiations, representations, or agreements, either written or oral. This construction agreement may be amended only by written instrument signed by both City and Contractor.

XIV. EFFECTIVE DATE

This construction agreement, shall be effective upon the date of execution by the City of North Richland Hills City Manager.

IN WITNESS WHEREOF, the parties have executed this construction agreement upon the year and date indicated beneath their signatures hereto.

CITY OF NORTH RICHLAND HILLS

PAVECON PUBLIC WORKS LP.

BY: _____

BY: Chris Thomas
Chris Thomas - Vice President

Paulette Haartman, City Manager

DATE: _____

DATE: 2-3-25

ATTEST:

ATTEST: J. M. [Signature]

Alicia Richardson,

TITLE: Witness

City Secretary/Chief Governance Officer

APPROVED AS TO FORM AND LEGALITY

NRH Council Action Y/N

Date Approved _____

Agenda No. _____

Ord /Res No. _____

Cara Leigh White, Interim City Attorney

EXHIBIT "A"
SCOPE OF WORK

Scope of Work #1

This document outlines the services to be provided by **PAVECON PUBLIC WORKS LLP**. ("Contractor") pursuant to **City of North Richland Hills** ("City") Bid #24-024 and the Contract executed between Contractor and City on _____ ("Contract"). The services to be provided under the Scope of Work are as follows:

Description of Services ("work"): Wedge milling of existing asphalt pavement, and placement of new asphalt pavement in accordance with City standard details, along residential roadways.

Date of Completion: 60 days from Notice to Proceed Date

Cost of Services:

This Scope of Work for the services described above is governed by and incorporated into the Contract. The parties hereby agree that the work to be performed shall be completed no later than the Completion Date indicated herein. If the work is not timely completed, the City shall have the right to exercise any and all remedies set forth in the Contract Documents and in accordance with applicable law.

ACCEPTED AND AGREED:

CITY OF NORTH RICHLAND HILLS

PAVECON PUBLIC WORKS LLP.

By: _____

Caroline Waggoner, Assistant City Manager

Date: _____

By: _____

Boe Blankenship, Project Manager

Date: _____

By: Chin Tham _____

Title: Vice President _____

Date: February 3, 2025 _____

By: [Signature] _____

Authorized Representative

Date: February 3, 2025 _____

SPECIFICATIONS

The following description is intended to clarify the nature of the work required for this project and to describe the minimum requirements acceptable for the application of Milling and Asphalt Overlay. The provisions of the standard technical specifications shall apply except as otherwise noted herein.

Introduction:

It is the intention of the City of North Richland Hills to enter into an annual agreement contract for furnishing all necessary materials, machinery, equipment, superintendence, and labor for the Milling and Asphalt Overlay. This agreement will include an estimated quantity based on the number of selected and approved streets.

Bid Evaluation

Award of bid, if it be awarded, will be made to the lowest responsible bidder or may be awarded to the bidder that offers the goods and/or services at the *best value* for the City (Texas Local Government Code, 252.043). In determining the best value the City will consider the following:

- a) The purchase price; terms and discounts; delivery schedule;
- b) The reputation of the bidder and of the bidder's goods or services;
- c) The quality of the bidders' goods or services;
- d) The extent to which the bidder's goods or services meet the City specifications and needs;
- e) The bidder's past relationship with the City;
- f) Total long term cost to the city to acquire the bidder's goods or services;
- g) Any relevant criteria specifically listed in the specifications;
- h) Compliance with all State and local laws, General Conditions and Specifications;
- i) Results of testing, if required;
- j) Warranty and/or guarantee, maintenance requirements and performance data of the product requested;
- k) City's evaluation of the bidder's ability to perform to specifications.

Duration of Agreement:

This contract period shall commence upon execution of the contract and continue for a period of one year. The City reserves the right to extend the contract period for four additional one year periods, with said options to be exercised solely at the City's discretion. A price determination may be considered only at the anniversary dates in the contract. All requests for price redetermination shall be in written form and shall include documents supporting price redetermination, such as manufacturer's direct cost, Producer's Price Index, or Employment Cost Index for your industry or product category as published by the U.S. Department of Labor Bureau of Labor Statistics, etc. If the Bureau of Labor Statistics does not accumulate data on the products or services defined by these specifications, by mutual agreement, the successful bidder may increase its prices for an amount not to exceed 5%.

1. Item #1 – Furnish and install new 2-inch H.M.A.C. surface course type-D asphalt a tack coat shall be placed on surface of road prior to applying final surface course asphalt.
2. Item #2 – Cold Wedge Milling of existing asphalt 2-inches in depth by a minimum of 6 feet from flowline of curb. This shall include all cross sections including joints and valley pans to ensure asphalt is placed evenly.
3. Item #3 – Raise existing rings and covers to match new pavement grade.
4. Item #4 – Raise existing water valve stacks and covers to match new pavement grade.
5. It will be the responsibility of the CONTRACTOR to provide notification to the residents affected by the Milling and Overlay program. This notification will be in the form of a door hanger and must include the following: Person of Authority on site, Name of Company, and Date of Installation. Should a deviation occur after the door hangers have been distributed, the contractor will be required to pass outdoor hangers again with the corrected scheduled date. A copy of the door hanger will be submitted to the Public Works Department prior to the beginning of the project and be approved by the Street Superintendent or his designee before they are distributed to the residents.
6. Prior to the beginning of the project, the contractor will provide an estimated schedule to Public Works. This schedule will take into account trash days and other special events that will affect the Milling or Asphalt Overlay applications.
7. Before applying Asphalt, the roadway surface shall be free of debris and approved by the City representative before placement.
8. It will be the responsibility of the CONTRACTOR to furnish, maintain, and remove all temporary traffic control devices. Temporary traffic control devices shall conform to the Manual on Uniform Traffic Control Devices (MUTCD).
9. It is preferred that the resurfacing equipment be expandable during the placement of either Asphalt to adapt to the width of the street. The placement of materials should be done in two passes to ensure the seam is located in the center of the road. Reducing the number of seams creates a more uniform appearance and increases the life of the surface.
10. The material must remain in place and free of defects for a period of one year. This includes raveling, shedding, or the loss of aggregate that is not typical. If defects are found, the contractor will be required to make repairs to the areas within three (3) months of notification. The approved repair method shall be full depth milling and asphalt replacement.
11. The CONTRACTOR will be responsible for the cleaning and removal of excess materials from the street, flowline, private property, and drive approaches once street is completed. Any area damaged or disturbed by the CONTRACTOR outside or inside the City rights of way and easements shall be restored to their original condition to the satisfaction of the property owner.

12. The CONTRACTOR shall be responsible for paying for all testing and testing-related items on this project. The CONTRACTOR shall perform a Nuclear Density test and the range must fall between 92% and 98%.
13. The CONTRACTOR shall be responsible for all costs to construct pay items and must furnish their own dump site for waste material removal.
14. The CONTRACTOR will submit their batch design and material selection to the Public Works Department for approval prior to beginning the project.
15. Only contractors that have provided a minimum of (3) three references from municipal or state agencies will be considered for award of bid.
16. Bidders must have evidence of their business, under the current name having a minimum (3) three years of existence.
17. Please provide (3) references from municipal or state agencies. Also provide documentation of business showing a minimum of (3) years of existence.

BID FORM

ITEM NO.	NAME OF PAY ITEM WITH UNIT PRICE IN WORDS	EST. QUANTITY	UNIT	UNIT BID PRICE	TOTAL PRICE
1	Furnish and Install New 2-Inch H.M.A.C. Surface Type(D) <u>Thirteen</u> dollars and <u>Thirty-Four</u> cents per unit	95,000	SY	\$ <u>13.34</u>	\$ <u>1,267,300.00</u>
2	Cold Milling 6 Feet Width and 2 Inches deep. <u>Three</u> dollars and <u>Forty-Three</u> cents per unit	50,000	SY	\$ <u>3.43</u>	\$ <u>171,500.00</u>
3	Raise Existing Rings and Covers to New Pavement Grade. <u>Three Hundred Twenty-Nine</u> dollars and <u>zero</u> cents per unit	30	EA	\$ <u>329.00</u>	\$ <u>9,870.00</u>
4	Raise Existing Water Valve Stack and Covers to New Pavement Grade <u>One Hundred</u> dollars and <u>Twenty-Eight</u> cents per unit	30	EA	\$ <u>128.00</u>	\$ <u>3,840.00</u>
				Total:	\$ <u>1,452,510.00</u>

The undersigned bidder acknowledges receipt of the following Addenda: (If none is received, then write NONE across the blanks.)

Addendum No. 1 - Date Received None

Addendum No. 2 - Date Received None

Addendum No. 3 - Date Received None

Addendum No. 4 - Date Received None

The undersigned bidder agrees to execute and file with the Owner a contract and bonds using the forms provided within ten (10) days after written notification of award of the contract to him, and to begin the work to be performed under the contract within ten (10) days after written authorization to begin the work (Work Order). See contract for additional schedule / time requirements.

Enclosed with this bid form is a certified check or cashier's check or bid bond payable to the City of North Richland Hills in the amount of five percent (5%) of the total bid, which is to become the property of the City of North Richland Hills, or the attached Bidder's Bond is to be forfeited in the event the contract and bond are not executed within the time set forth, as liquidated damages for delay and additional work caused thereby.

Respectfully Submitted,

Signed: 

Company: Pavecon Public Works, LP

Address: 3022 Roy Orr Blvd.

Grand Prairie, TX 75050

SEAL
(If Bidder is a Corporation)

Telephone: 972-263-3223

Fax: 972-263-6551

Submitted by: Pavecon Public Works, LP

an individual
A partnership
A corporation

Doing Business As: Pavecon Public Works, LP