

MEMORANDUM

TO: CITY COUNCIL

FROM: GEOFF ENGLISH, PUBLIC WORKS DIRECTOR

BY: JILL MCPEEK, CAPITAL IMPROVEMENT PROJECT MANAGER

SUBJECT: CONSIDERATION OF AN AWARD OF CONTRACT TO AMERICAN ASPHALT SOUTH, INC. FOR THE 2016 STREET RESURFACING PROJECT, PW 2016-08

DATE: SEPTEMBER 13, 2016

RECOMMENDATION:

It is recommended the City Council:

1. Award a contract for the 2016 Street Resurfacing Project to American Asphalt South, Inc. in the amount of \$75,374.03;
2. Authorize the Interim City Manager to approve change orders for 10% of the contract amount, \$7,537.40 for unanticipated costs during the construction phase of the project (total construction costs = \$75,374.03 + \$7,537.40 = \$82,911.43); and
3. Direct the City Clerk to file a Notice of Exemption.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

An allocation of \$870,000 is available in the Capital Improvement Program budget pavement management program account for FY 2016/17. It is anticipated that approximately \$35,000 will be carried over from FY 2015/16 for a total available budget of \$905,000. Based on this budget plus \$61,395 of Parking Improvement Funds for the Le Point Street Parking Lot overlay portion of the 2016 Street Repairs project, it is estimated that there will be enough funds to complete the Base Bid for both this 2016 Street Resurfacing and 2016 Street Repairs projects.

REVENUE

Pavement Management Fund	
FY 2015/16 Carry Over	\$ 35,000.00
FY 2016/17 Budget	870,000.00
Parking Improvement Fund	<u>61,395.40</u>
TOTAL REVENUE	\$ 966,395.40

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EXPENDITURES

2016 Street Resurfacing, Base Bid plus Contingencies	\$ 82,911.43
2016 Street Repairs, Base Bid plus Contingencies (Less Le Point Street Parking Lot)	679,782.40
Le Point Parking Lot plus Contingencies	61,395.40
Inspection, Advertisement, 17/18 Design	<u>122,500.00</u>
TOTAL EXPENDITURES	\$ 946,589.23
PROJECTED PAVEMENT MANAGEMENT FUND BALANCE	\$19,806.17

BACKGROUND:

The 2016 pavement management projects were designed to include separate projects for Street Repairs and Street Resurfacing (slurry seals).

For the 2016 Street Repairs project, street surface repairs which involve the grinding and repaving of isolated pavement failures are to be performed on several streets. In addition, two streets will receive full width pavement overlays and upgrades to thirteen (13) curb ramps as required under the Americans with Disabilities Act (ADA).

For the 2016 Street Resurfacing project, a slurry seal application will be applied to the street segments that received repairs as part of the 2016 Street Repair project.

Since resurfacing contractors are typically not equipped to perform roadway repairs or reconstruction, it is prudent to have the work separated into two projects to be performed by two prime contractors; that helps eliminate the need for a prime contractor to hire subcontractors and pass along potential mark-up costs to the City.

ANALYSIS OF ISSUES:

The 2016 Street Repair and 2016 Street Resurfacing projects included a schedule of streets in the base bid and two additive alternatives in the event favorable bids were received. The project specifications stipulated that contract award would be determined solely on the Base Bid.

On September 2, 2016, three bids were received for the 2016 Street Resurfacing project. The lowest bid, from American Asphalt South, Inc., was in the amount of \$75,376.03. Upon review of the bid, it was determined that there was a minor addition error for one of the Bid Line Items which resulted in a corrected Base Bid amount of \$75,374.03. The project scope of work is as follows:

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BASE BID (RECOMMENDED)

<i>Street</i>	<i>From</i>	<i>To</i>
Area B1		
Robin Circle	N Oak Park Blvd	Meadowlark Drive
Cardinal Court	Robin Circle	End of Street
Quail Court	Robin Circle	End of Street
Meadowlark Drive	N Oak Park Blvd	Robin Circle
Area B6		
Rosemary Lane	w/o Sombrillo	End of Street
Salida Del Sol	James Way	End of Street
Sombrillo	Rosemary Lane	Salida Del Sol
Camino Mercado		
Camino Mercado	West Branch Street	w/o Walmart driveway

ALTERNATES (NOT RECOMMENDED)

<i>Street</i>	<i>From</i>	<i>To</i>
Bid Alt 1 – Area B3		
Clinton Court	James Way	End of Street
Jenny Place	James Way	End of Street
Le Canada	James Way	Asilo Street
Rosemary Court	La Canada	End of Street
Los Ciervos	Vista Drive	End of Street
Los Ciervos Court	Vista Drive	End of Street
Puesta Del Sol	Los Ciervos	Vista Drive
Vista Drive	s/o Los Ciervos Court	La Canada
Asilo Street	Vista Drive	Vista Drive
Castillo Court	Vista Drive	End of Street
Paraiso Court	Asilo Street	End of Street
La Canada	s/o Asilo Street	Vista Drive
Bid Alt 2 – Area B4		
Via Las Aguilas	Camino Mercado	End of Street
Dos Cerros	Via Las Aguilas	End of Street
Calle Cuervo	Via Las Aguilas	End of Street
Palos Secos	Via Las Aguilas	Rancho Parkway
Refugio Court	Rancho Parkway	End of Street

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The bid has been determined to be responsive and the bidder to be responsible. It is recommended a construction contract be awarded to American Asphalt South, Inc. The contract time is 60 working days. Work is expected to be completed in November and December 2016.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Award a construction contract to American Asphalt South, Inc. for the 2016 Street Resurfacing project;
2. Do not award a construction contract for the project; or
3. Provide direction to staff.

ADVANTAGES:

The consistent application of slurry seals is part of a yearly maintenance program essential to ensure the integrity of the City's roadway network. The program is designed to apply maintenance treatments to every street in the City on an ongoing cycle. The recommendations maintain funding for the highest priority projects and minimize deferring improvement of streets in the City's pavement management program.

DISADVANTAGES:

There is a temporary inconvenience to the traveling public as vehicles are rerouted when the surface treatments are applied.

ENVIRONMENTAL REVIEW:

The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15301(c) covering the repair and maintenance of existing highways and streets.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Bid Opening Log Sheet
2. Notice of Exemption



Attachment No. 1

**CITY OF ARROYO GRANDE
BID OPENING LOG SHEET**

DEADLINE: FRIDAY, SEPTEMBER 2, 2016 – 3:00 PM
PROJECT NAME: 2016 STREET RESURFACING
PROJECT NO.: PW-2016-08
ESTIMATED CONSTRUCTION COST: \$81,000

<u>SUBMITTED BY:</u>	<u>BASE BID</u>	<u>ALT#1</u>	<u>ALT#2</u>	<u>TOTAL</u>
1. Pavement Coatings Co. Woodland, CA 95776	\$162,515.50	\$157,972.00	\$74,530.00	\$395,017.50
2. American Asphalt So. Fontana, CA 92331	\$75,376.03	\$66,097.48	\$28,945.93	\$170,419.44
3. VSS International West Sacramento, CA 95691	\$182,000.00	\$234,200.00	\$153,800.00	\$570,000.00

Glenda Boner

Glenda Boner, Administrative Secretary

C: Director of Public Works
Capital Improvement Project Manager
City Manager
City Website

NOTICE OF EXEMPTION

To: Office of Planning and Research
 1400 Tenth Street
 Sacramento, CA 95814

From: Lead Agency:
 City of Arroyo Grande
 300 East Branch Street
 Arroyo Grande, CA 93421

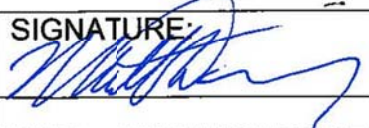
OR

County Clerk of the Board of Supervisors
 County of San Luis Obispo
 1055 Monterey Street
 San Luis Obispo, CA 93408

PROJECT TITLE AND NUMBER: 2016 Street Resurfacing PW 2016-08	
PROJECT APPLICANT: Jill McPeck, Capital Improvement Project Manager 300 E. Branch Street, Arroyo Grande, CA 93420	TELEPHONE NUMBER/EMAIL: (805) 473-5444 jmcpeek@arroyogrande.org
PROJECT LOCATION: Citywide, Arroyo Grande, CA 93420	
PROJECT DESCRIPTION: Asphalt repairs, striping, traffic control and related items of work.	
LEAD AGENCY CONTACT PERSON: Matthew Downing, AICP, Planning Manager	TELEPHONE NUMBER/EMAIL: (805) 473-5420 mdowning@arroyogrande.org
STATE CLEARINGHOUSE NUMBER (if applicable): N/A	

This is to advise that the City of Arroyo Grande has made the following determination on the above-described project:

- MINISTERIAL (Section 15208)
- EMERGENCY (Section 15269)
- CATEGORICAL EXEMPTION PER CEQA GUIDELINES - Section 15301(c) of the CEQA Guidelines determines that projects located in existing facilities are exempt from CEQA review.

SIGNATURE: 	DATE RECEIVED FOR FILING:
TITLE: PLANNING MANAGER DATE: July 11, 2016	NO RECORDING FEE – PUBLIC AGENCY GC 6103