

MEMORANDUM

TO: CITY COUNCIL

FROM: JAMES A. BERGMAN, CITY MANAGER

BY: JILL MCPEEK, CAPITAL IMPROVEMENT PROJECT MANAGER

SUBJECT: CONSIDERATION OF AN AWARD OF CONTRACT TO SOUZA CONSTRUCTION INC. FOR CONSTRUCTION OF THE 2017 STREET REPAIRS PROJECT, PW 2017-04

DATE: SEPTEMBER 12, 2017

RECOMMENDATION:

It is recommended the City Council:

1. Award a contract for the 2017 Street Repairs Project to Souza Construction Inc. in the amount of \$531,316; and;
2. Authorize the City Manager to approve change orders for 10% of the contract amount, \$53,132 for unanticipated costs during the construction phase of the project (total construction costs = \$531,316 + \$53,132 = \$584,448).

SUMMARY OF ACTION:

Take action to award a construction contract for street repairs throughout the City. Work is anticipated in October and November 2017.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

An allocation of \$845,000 is available in the Capital Improvement Program budget pavement management program account for FY 2017/18. Approximately \$50,700 was carried over from FY 2016/17 for a total available budget of \$895,700. Based on this budget, it is estimated that there are enough funds to complete the base bids for both the 2017 Street Repairs and 2017 Street Resurfacing projects and the 2017 Street Repairs Bid Alternate 1.

BACKGROUND:

The 2017 pavement management projects were designed to include separate projects for Street Repairs and Street Resurfacing (slurry seals).

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For the 2017 Street Repairs Project, street surface repairs which involve the grinding and repaving of isolated pavement failures are to be performed on several streets. Areas where these repairs will be performed include East Branch Street between Traffic Way and Mason Street, and the Crown Hill Street/Le Point Street neighborhood in the vicinity of Paulding Middle School. Staff will perform additional coordination and noticing in these areas with both the businesses and the Lucia Mar Unified School District. The project specifications restrict working hours in these areas as well as restrict work from occurring during the Harvest Festival, Halloween in the Village trick-or-treating event, and the Thanksgiving holiday to help minimize disruption.

The project also includes a full width pavement overlay and upgrades to four (4) curb ramps as required under the Americans with Disabilities Act (ADA) on North Oak Park Boulevard from James Way to the northern city limits, and the repair of uneven pavement adjacent to an existing concrete crosswalk on Courtland Street. Bid alternate 1 includes varied pavement overlay treatments on Los Berros Road from Valley Road to Century Lane. There are no curb ramps along this area of Los Berros Road.

For the 2017 Street Resurfacing Project, a slurry seal application will be applied to the street segments that receive repairs as part of the 2017 Street Repair Project.

ANALYSIS OF ISSUES:

On August 8, 2017, the Council approved the construction plans and specifications for the 2017 Street Repairs and 2017 Street Resurfacing projects and authorized the advertisement for construction bids.

The 2017 Street Repair and 2017 Street Resurfacing projects included a schedule of streets in the base bid and one additive alternative in the event favorable bids were received. The project specifications stipulated that contract award would be determined solely on the base bid.

On August 29, 2017, six bids were received for the 2017 Street Repairs Project. The lowest base bid, from Souza Construction Inc., was in the amount of \$340,500. The bid is determined to be responsive and Souza Construction Inc. to be a responsible bidder.

Based on the total pavement management program budget available, it is estimated that there enough funds to complete the base bids for both the 2017 Street Repairs and 2017 Street Resurfacing projects and the 2017 Street Repairs Bid Alternate 1 as follows:

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REVENUE

Pavement Management Fund

FY 2017/18 Budget \$ 845,000

FY 2016/17 Carry Over 50,700

TOTAL REVENUE \$ 895,700

EXPENDITURES

2017 Street Repairs - Base Bid, plus Contingencies \$ 374,550

2017 Street Repairs - Bid Alternate 1, plus Contingencies 209,898

2017 Street Resurfacing - Base Bid, plus Contingencies 188,677

Construction Mgt, Inspection, Advertisement, Testing 71,521

2017 and 2018 Streets Design 46,495

StreetSaver Updates 4,000

TOTAL EXPENDITURES \$ 895,141

PROJECTED PAVEMENT MANAGEMENT FUND BALANCE \$ 559

Based on this total pavement management program budget available, the award of a construction contract to Souza Construction Inc. is recommended as follows:

BASE BID (RECOMMENDED)

Overlays and Curb Ramp Replacement:

<i>Street</i>	<i>From</i>	<i>To</i>
North Oak Park Blvd	James Way	Northern City Limits

Preparation Work for the 2017 Street Resurfacing Project:

<i>Street</i>	<i>From</i>	<i>To</i>
Crown Hill Street Neighborhood		
Crown Hill Street	East Branch Street	Corbett Canyon Road
Crown Terrace	Crown Hill Street	North End of Street
Harrison Street	McKinley Street	East End of Street
Le Point Street	Corbett Canyon Road	West End of Street
Le Point Terrace	East Branch Street	North End of Public Street
May Street	McKinley Street	West End of Street
McKinley Street	May Street	Crown Hill Street
Paseo Street	May Street	North End of Street

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<i>Street</i>	<i>From</i>	<i>To</i>
Village Area		
North Mason Street	East Branch Street	Le Point Street
Nevada Street	East Branch Street	Le Point Street
East Branch Street	Traffic Way	Mason Street

Crosswalk Repair:

<i>Street</i>	<i>From</i>	<i>To</i>
Courtland Street	Strawberry Avenue	Strawberry Avenue

BID ALTERNATE NO. 1 (RECOMMENDED)

Overlay:

<i>Street</i>	<i>From</i>	<i>To</i>
Los Berros Road	Valley Road	Century Lane

The contract time is thirty (30) working days. It is anticipated work in the Crown Hill Street neighborhood and Village area will be completed in October 2017 and the remaining areas in November 2017.

ALTERNATIVES:

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

1. Approve staff's recommendations;
2. Approve staff's recommendations, but only for the base bid;
3. Do not award a construction contract for the project; or
4. Provide direction to staff.

ADVANTAGES:

The street repairs will provide a stable surface to facilitate the application of slurry seal membranes with a separate project to follow immediately after. The repairs reduce project costs by addressing areas with the most significant repair needs prior to the slurry seal application, which reduces the need for a more costly full reconstruction project.

DISADVANTAGES:

There will be traffic inconveniences to the travelling public during construction. Staff will monitor the traffic control to conform to the requirements of the Municipal Uniform Traffic Control Devices manual (MUTCD) to mitigate any negative effects. City

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inspectors will be at the site during all phases of the operations to make adjustments for isolated instances (driveway access, etc.).

ENVIRONMENTAL REVIEW:

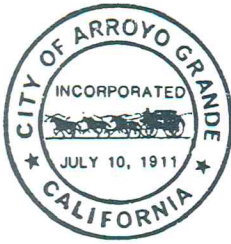
The project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15301(c) covering the repair and maintenance of existing highways, streets and sidewalks.

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.

Attachment:

1. 2017 Street Repairs Bid Opening Log Sheet



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

**DEADLINE: TUESDAY, AUGUST 29, 2017 – 2:00 PM
PROJECT NAME: 2017 STREET REPAIRS
PROJECT NO.: PW-2017-04
ESTIMATED CONSTRUCTION COST: \$390,000**

<u>SUBMITTED BY:</u>	<u>BASE BID</u>	<u>ALT#1</u>	<u>TOTAL</u>
1. Souza Construction San Luis Obispo, CA	\$340,500.00	\$190,816.00	\$531,316.00
2. Papich Construction Grover Beach, CA	\$559,158.10	\$306,558.90	\$865,717.00
3. Cal Portland Santa Maria, CA	\$454,172.65	\$257,498.35	\$711,671.00
4. Granite Construction Santa Barbara, CA	\$436,150.60	\$234,926.55	\$671,077.15
5. Rdz Contractors Nipomo, CA	\$411,809.13	\$369,990.57	\$781,799.70
6. R. Burke Corporation	\$481,856.70	\$224,435.00	\$706,291.70

Glenda Boner

Glenda Boner, Administrative Secretary

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