



Legislation Text

File #: 16-450, **Version:** 1

AUTHORIZATION TO ENTER INTO A CONSTRUCTION AGREEMENT WITH GONZALEZ ASPHALT, INC., FOR PAVEMENT AND CONCRETE CUTS AND REPAIRS

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into a construction agreement with Gonzalez Asphalt, Inc., in an amount not to exceed \$850,000 and authorize a term expenditure limit of \$1,000,000 (base contract plus \$150,000 contingency) to repair concrete and asphalt utility cuts, street/pavement point repairs and isolated pavement and concrete improvements in the city. This request also authorizes the City Manager, at the City Manager's discretion, to renew the agreement and term expenditure limit, for an additional four terms, renewable on an annual basis, in a total amount not to exceed \$5,000,000 over the duration of the Agreement, contingent upon Council Budget approval.

Background

The Public Works Department provides street maintenance and improvements to over 748 miles of city roadway which include concrete and asphalt pavements, and concrete curb and gutter, as well as installing and maintaining sidewalks in compliance with the Americans with Disabilities Act (ADA). In addition, the Water Services Department performs approximately 900 excavations per year for routine and emergency repairs. Often water and sewer line repairs require removal of pavement, concrete sidewalk, and curb and gutter to fully access water and sewer infrastructure. Once water service repairs are complete, repairs to the associated roadway and/or walkway are necessary.

Analysis

The Engineering division published a Notice to Contractors requesting bids for the Utility Cut and Concrete Repairs project (project number 151625) on July 28, 2016, and August 4, 2016. On August 16, 2016, five bids were received, with Gonzalez Asphalt, Inc. submitting the lowest responsive and responsible bid in the amount of \$677,904.56. Staff anticipates issuing a Notice to Proceed in early October.

In an effort to establish competitive pricing, the bid schedule was developed by identifying a comprehensive list of repair items and assigning a quantity to the items based on the work accomplished in previous years. The purpose of the bid schedule was to determine a low bidder and establish a unit price for the various components of work. The contract will be awarded for \$850,000 (budgeted amount - Public Works & Water Services) with a Council authorization of a supplementary \$150,000 to allow for additional work including requests for other departments.

Previous Related Council Action

On June 9, 2015, City Council authorized entering into a Construction Agreement with Gonzalez Asphalt, Inc., Contract No. C-10029, for utility cuts and pavement concrete work in amount of \$900,000.

On May 27, 2014, City Council authorized entering into a Construction Agreement with NPL Construction Company, Contract No. C-8954, for utility cuts and pavement concrete work in amount of \$899,773.

Community Benefit/Public Involvement

The Agreement with Gonzalez Asphalt Inc. will allow the city to hire the necessary expertise to complete utility cuts, and pavement and concrete restorations in a timely manner. In addition, maintaining the city's roadway and pedestrian walkways is an important transportation element of neighborhoods and business corridors throughout the city.

Budget and Financial Impacts

Funding is available in various Fiscal Year 2016-17 budgets. Expenditures with Gonzalez Asphalt, Inc. are not to exceed \$1,000,000 per term (base contract plus contingency), or \$5,000,000 over the full five-year term of the Agreement, contingent upon Council budget approval.

Cost	Fund-Department-Account
\$450,000	1340-16720-518200, Street Maintenance
\$350,000	2400-17290-518200, Water Distribution
\$40,000	2420-17630-518200, Wastewater Collection
\$10,000	2420-17699-518200, Storm Water Management
\$150,000	Various Departments

Capital Expense? No

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?