TO:        HONORABLE CITY COUNCIL

FROM:       CITY MANAGER

DEPARTMENT: PUBLIC WORKS

DATE:     JULY 19, 2004

CMR:355:04

SUBJECT: APPROVAL OF A CONTRACT WITH C. F. ARCHIBALD PAVING, INC. IN THE AMOUNT OF $2,047,009 FOR THE 2004 STREET MAINTENANCE PHASE 2 CAPITAL IMPROVEMENT PROGRAM PROJECT PE-86070

RECOMMENDATION

Staff recommends that Council:

1. Approve and authorize the Mayor to execute the attached contract with C. F. Archibald Paving, Inc. in the amount of $2,047,009 for the 2004 Street Maintenance Program Phase 2 Project (Attachment A); and

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with C.F. Archibald Paving, Inc. for related, additional but unforeseen work, which may develop during the project, the total value of which shall not exceed $204,701.

BACKGROUND

Annually, Public Works Engineering manages the resurfacing and reconstruction of various city streets. The candidate streets are surveyed and rated biannually by a computerized pavement management system. The annual project budget ranges from $1.8M to $2M and averages approximately eight lane miles of resurfacing, street reconstruction and concrete pavement repair and approximately eight lane miles of slurry sealing. Approximately 20% of the budget is spent for slurry seal work. Information regarding the Annual Pavement Maintenance Program, selection of streets and project coordination is provided in CMR:286:04 (Attachment B).

In 2003, for the first time, the Street Maintenance Program was completed in two phases under two separate contracts with the annual project budget remaining the same. Phase 1 included asphalt concrete paving, slurry seal, Portland Cement Concrete (P.C.C.) street repair work and street reconstruction; Phase 2 included P.C.C. street repair work only. A total of 19 lane miles were completed for Phases 1 and 2 as part of the 2003 Program. Grouping the P.C.C. street work was a cost saving measure because it allowed a concrete specialty contractor to be the prime contractor, eliminating overhead charges from asphalt.
concrete paving contractors who typically are the low bidders on the annual street maintenance projects. Further, less coordination was needed since staff worked directly with the concrete contractor without having to go through an asphalt paving contractor.

The 2004 Street Maintenance Program is following a similar format, except asphalt concrete paving, slurry seal, P.C.C. street repair work and street reconstruction work will be done as Phase 2 of the project. Phase 1 of the 2004 project was awarded by the Council on April 19, 2004 (CMR:226:04) and will provide P.C.C. street repair work only.

**DISCUSSION**

The scope of the proposed 2004 Street maintenance Program Phase 2 Project includes overlaying two lane miles, slurry sealing eleven lane miles, cape sealing six lane miles, and crack sealing nine lane miles of city streets. Attachment C provides a list of streets to receive maintenance, included in this contract categorized by type of work. Part of the asphalt overlay and reconstruction work includes related work such as lane striping, base failure repair, and concrete work including replacement of curb ramps, curb and gutters, and sidewalks. Curb ramps will be installed to comply with the guidelines of the American with Disabilities Act (ADA).

The project will incorporate cape sealing as a new maintenance treatment for roadways. Cape sealing prolongs the lifespan of current pavements by 10 to 15 years at a reduced lifespan cost compared to costs for overlaying roadway surfaces. It also enables an additional six lane miles of maintenance. One disadvantage of a cape seal is that it requires two separate street closures since it includes a two-part process of chip seal and a slurry seal as final coat. The chip seal contains small aggregate that bonds with an oil applied to the pavement surface and slurry seal applied 24 hours after the chip seal work. In order to control the loose aggregate after the chip seal work, the street is swept and the speed limit will be reduced to 15 mph for 24 hours until the street is slurry sealed. After the slurry seal is applied, the street will be opened to traffic at regular speeds the same day.

Additionally, pavement will be replaced, and new valley gutters and a smooth conform area between the gutter and the private properties will be installed on Matadero Avenue from Whitsell Avenue to El Camino Real. While the valley gutter and conform area is not a dedicated sidewalk, the improvements will provide an improved surface for walking. The Transportation Division will continue to pursue securing right-of-way for a separate pathway as properties development in the area.

Street and sidewalk reconstruction will take place on Iris Way from Heather Avenue to near Primrose Avenue. The sidewalk replacement project (CIP PE-89003) will contribute $156,924 of funding to cover the sidewalk replacement on Iris Way.

Approximately 0.7 miles of Miranda Avenue from Arastradero Road to Miranda Green will be reconstructed and a new asphalt concrete pathway will be constructed along the roadway with minor landscape improvements. The pathway, separated by asphalt berm, is being installed to provide a safer route for pedestrians at the request from the Miranda Avenue neighborhood since no sidewalk currently exists. The Transportation Division and Public Works Engineering staff conducted outreach meetings with Miranda Avenue residents and traffic
surveys were done to incorporate the majority of residents’ comments into this part of the project.

All pavement will be replaced on Portage Avenue from El Camino Real to Ash Street, and on Hubbartt Drive from Georgia Avenue to Arastradero Road. In addition the sidewalk replacement project will be contributing $18,265 of funding for sidewalk replacements on Portage Avenue.

The below add/alternate bid items are included in the 2004 Street Maintenance Program Phase 2 project, since the base bid submitted by the low bidding contractor is below the contract funds available with these alternates. The add/alternates will allow for 5 additional street segments to be added to the project.

Add/Alternate #1:  
• Matadero Avenue from Josina Avenue to El Camino Real

Add/Alternate #2:  
• One block on Martin Avenue from Lincoln Avenue to Center Drive

Add/Alternate #3:  
• Iris Way from 110 Iris Way to 190 iris Way

Add/Alternate #4:  
• Cowper Street from Hamilton Avenue to Forest Avenue

Following the award of contract, businesses and residents affected by the project will be notified. The contractor will also hand deliver door hanger notices seven days and 24 hours in advance of the construction work. Work is expected to start in August and be completed in January 2005.

Bid Process  
A notice inviting formal bids for the 2004 Street Maintenance Phase 2 project was issued on June 22, 2004, and sent to 12 builders’ exchanges and 31 contractors. The bidding period was 15 days and bids were received from four qualified contractors on July 6, 2004. See Attachment D for a summary of all bids received on the project. Bids (including add/alternates #1, #2, #3 and #4) ranged from a low of $2,047,009 to a high bid of $2,326,228.
**Summary of Bid Process**

<table>
<thead>
<tr>
<th>Bid Name/Number</th>
<th>2004 Street Maintenance/PE 86070</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>130 Calendar days</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>31</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
<td>12</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
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</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>No</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>N/A</td>
</tr>
<tr>
<td>Number of Bids Received:</td>
<td>4*</td>
</tr>
<tr>
<td>Bid Price Range (add/alternates #1, #2 and #3)</td>
<td>Low bid of $2,047,009 to $2,326,228</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment D.*

The annual street maintenance program is funded by revenue from non-local sources including State gas tax and the Traffic Congestion Relief Fund. These non-local funding sources require the contractor and its subcontractors to pay prevailing wage rates and provide documentation in the form of certified payrolls. The City must advertise this as a requirement and does so by including this provision in the Instructions to Bidders section as part of the project’s bid documents. The 2004 Street Maintenance Program Phase 2 Project was originally advertised for bids on May 6, 2004, and bids from three contractors were received on June 1, 2004. Because the prevailing wage requirements were inadvertently omitted in the advertised bid document, the City Council rejected these bids on June 28, 2004 (CMR:329:04). Therefore, the Phase 2 project was re-advertised on June 22, 2004, to include the prevailing wage requirement.

Staff has reviewed all bids submitted and recommends that the bid, including the add/alternate #1, #2, #3 and #4 totaling $2,047,009 submitted by C.F. Archibald Paving, Inc. be accepted and that C.F. Archibald Paving, Inc. be declared the lowest responsible bidder. The bid is 3% percent under the engineer’s estimate of $2,107,969. Contingency in the amount of $204,701 (equaling 10 percent of the total contract) is requested to resolve unforeseen problems and/or conflicts that arise during the construction period. Staff confirmed with the Contractor’s State License Board that the contractor has an active license on file. Staff checked references supplied by the contractor for previous work performed and found no significant complaints. The Certification of Nondiscrimination is Attachment E.

**RESOURCE IMPACT**

Funds for this project are included in the Capital Improvement Program Project PE-86070 and PO-89003 budgets. Due to the size of this annual maintenance project, City staffing levels are not adequate to accomplish the construction work in-house. In addition, the City does not own the type and amount of equipment required to perform this work and staff believes that it is cost effective to have this work performed by outside contractors. If the project does not proceed, the street conditions will continue to degrade, creating increased maintenance costs in the future.

**Funding Summary:**

Available Funding
FY 2003-04 project budget $1,951,953
Carryover from FY 2002-03 $ 410,228
Mid-Year BAO-Grant Funding $ 234,690
Transfer from CIP PO-89003 $ 175,189
Total Available Funding $2,772,060

Project Budget
Phase 1 Street Maintenance Project Contract $ 320,249
Construction Testing & Inspection $  30,000
Subtotal Phase I Project Budget $ 350,249

Phase 2 Street Maintenance Project
Base Contract $2,047,009
Contingency $  204,701
Construction Testing & Inspection $  170,000
Subtotal Phase 2 Project Budget $2,421,710

2004 Street Maintenance Phase 1 and 2
Project Total $2,771,959

POLICY IMPLICATIONS
This recommendation does not represent any change to existing City policies.

ENVIRONMENTAL REVIEW
This project has been determined to have no significant effect on the environment and to be categorically exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines, Article 19, Section 15301, Class 3, (c).

ATTACHMENTS
Attachment A: Contract
Attachment B: CMR:286:04
Attachment C: Phase 2 List of Project Streets
Attachment D: Bid Summary
Attachment E: Certification of Nondiscrimination

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