TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DEPARTMENT: PUBLIC WORKS

DATE: AUGUST 4, 2008

CMR: 332:08

SUBJECT: APPROVAL OF A CONTRACT WITH GRANITE ROCK COMPANY DBA PAVEX CONSTRUCTION DIVISION IN THE AMOUNT OF $798,255 FOR THE MUNICIPAL SERVICES CENTER RESURFACING PROJECT - CAPITAL IMPROVEMENT PROGRAM PROJECT PE-08005

RECOMMENDATION

Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached contract in the amount of $798,255 with Granite Rock Company DBA Pavex Construction Division (Attachment A) for the Municipal Services Center Resurfacing Project - Capital Improvement Project PE-08005; and

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Granite Rock Company DBA Pavex Construction Division for related, additional but unforeseen work that may develop during the project, the total value of which shall not exceed $79,825.

BACKGROUND

The Municipal Services Center (MSC), constructed in 1965, functions as the operational headquarters for the Public Works and Utilities departments. The MSC houses all in-house construction crews and equipment, the maintenance facility for the City’s fleet, a fueling station, and the City’s supply warehouse. Due to the continuous heavy equipment travel on a daily basis, the MSC pavement has aged and failed, especially along the main travel ways, and has never been resurfaced. Several minor repairs have occurred over the years using in-house resources to keep the pavement operational. Extensive repairs of the failed areas are now necessary.

DISCUSSION

Scope of Work

Staff has divided the MSC yard into five (5) segments (A through E) to assure full access to the yard during construction. The base bid consists of Segments A, B, C, and E and includes repairing all of the pavement failures and replacing the existing surface with new asphalt concrete in phases over the duration of the project. The pavement failure areas will be removed down to six (6) inches in depth and the road base will be re- compacted and repaved with three (3) inches of asphalt concrete. Then the remaining pavement in Segments A, B, C, and E will be
ground down three (3) inches and re-surfaced with three (3) inches of new asphalt concrete. Segment D, Add Alternate No. 1, will include all work as described in the base bid.

Project Coordination
Staff coordinated the MSC Resurfacing Project with representatives of all parties (departments) that will be affected by this project. The equipment and storage containers will be temporarily relocated as necessary by City crews. The Contractor is required to complete the work on each segment before starting work on another. Public Works Operations will install new striping in each segment as the work progresses and City crews will return the equipment and storage containers to the newly paved segments.

Bid Process
A notice inviting formal bids for the MSC Resurfacing Project was posted at City Hall on June 17, 2008 and sent to 10 builders' exchanges and 12 potential bidders. The bidding period was 21 days. Bids were received from eight (8) qualified contractors on July 8, 2008 as listed on the attached bid summary (Attachment B). Bids ranged from a total low bid of $798,255 to a high of $1,029,173.

The low bid is 31 percent under the engineer’s estimate of $1,150,685. The engineer’s estimate was based on a standard rate of 3% to 5% inflation increase in costs received on prior street maintenance project.

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<tr>
<th>Summary of Bid Process</th>
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<tr>
<td>Bid Name/Number</td>
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<tr>
<td>Proposed Length of Project</td>
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<tr>
<td>Number of Bids Mailed to Contractors</td>
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<tr>
<td>Number of Bids Mailed to Builder’s Exchanges</td>
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<td>Total Days to Respond to Bid</td>
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<td>Pre-Bid Meeting?</td>
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<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
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<tr>
<td>Number of Bids Received:</td>
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<td>Bid Price Range (including add alternate 1)</td>
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The Certification of Nondiscrimination is Attachment C.

Staff recommends that the base bid and add alternate number 1 in the total amount of $798,255 submitted by Granite Rock Company DBA Pavex Construction Division be accepted and that Granite Rock Company DBA Pavex Construction Division be declared the lowest responsible bidder. The change order amount of $79,825 (which equals 10% of the total contract) is requested to resolve unforeseen problems and/or conflicts that may arise during the construction period. Staff checked references supplied by the contractor for previous work performed and
found no significant complaints. Staff also checked with the Contractor's State License Board and found that the contractor has an active license on file.

**RESOURCE IMPACT**
Due to the size of this project, City staffing levels are not adequate to accomplish the construction work in-house. In addition, the City does not own the type of equipment required to perform this work and staff believes that it is cost effective to have the work performed by outside contractors.

Funds for this project are available in the Municipal Service Center Resurfacing Project PE-08005. This CIP was funded based on area of occupancy by City departments and was funded by the General Fund and Enterprise Funds (Water, Gas, Wastewater and Electric).

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

**ENVIRONMENTAL REVIEW**
This project has been determined to be categorically exempt from review under the California Environmental Quality Act (CEQA) as repair and maintenance of existing streets and similar facilities pursuant to CEQA Guidelines, Section 15301 (c).

**ATTACHMENTS**
Attachment A: Contract
Attachment B: Bid Summary
Attachment C: Certification of Nondiscrimination

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