

City of Hesperia STAFF REPORT



DATE: August 15, 2017
TO: Mayor and Council Members
FROM: Nils Bentsen, City Manager
BY: Michael Blay, Director of Development Services
Jamie Carone, Administrative Analyst
SUBJECT: Award a contract to American Asphalt South, Inc. for the Construction of the FY 2016-17 Annual Street Improvement Project (CO #7135)

RECOMMENDED ACTION

It is recommended that the City Council award a construction contract to the lowest responsive/responsible bidder, American Asphalt South, Inc., for the FY 2016-17 Annual Street Improvement Project in the amount of \$216,991.66; award Add Alternate Item 1, Hickory Avenue, in the amount of \$6,414.09; award Add Alternate Item 2, Walnut Street, in the amount of \$13,755.01; award Add Alternate Item 3, Cottonwood Avenue, in the amount of \$58,140.60; approve a 10% contingency in the amount of \$29,530.14 for a total authorized contract amount of \$324,831.36; approve the design of the project represented by the plans and specifications; and authorize the City Manager to execute the contract.

BACKGROUND

In June 2017 the City Council reapproved the Fiscal Year 2017-18 Capital Improvement Program (CIP), which included programming for the FY 2016-17 Annual Street Improvement Project (Construction Order No. 7135).

The Annual Street Improvement Project serves to provide corrective maintenance to existing roads throughout the City each year. Often other transportation related improvements are incorporated into the project to address significant areas of concern as identified in the City's CIP. This year's key elements of the FY 2016-17 Annual Street Improvement Project are as follows:

- Slurry seal of approximately 9.7 miles of previously rehabilitated streets to provide required maintenance.

ISSUES/ANALYSIS

Staff issued a "Public Notice Inviting Bids" for construction of the FY 2016-17 Annual Street Improvement Project on July 20, 2017. Bids were accepted and publicly read on August 10, 2017, at 10:00 a.m. from four (4) participating bidders:

American Asphalt South, Inc.	\$216,991.66	All American Asphalt	\$303,072.18
Roy Allan Slurry, Seal, Inc.	\$366,903.86	Pavement Coatings	\$325,662.94

Each bidder's submittal was thoroughly reviewed; none of the bids contained any math errors. All of the bids submitted were determined to be valid.

Staff has determined that the apparent lowest responsive/responsible bidder is American Asphalt South, Inc. on the base bid amount of \$216,991.66. In addition to the base bid, staff recommends award of Add Alternate Item 1, Hickory Avenue, in the amount of \$6,414.09, Add Alternate Item 2, Walnut Street, in the amount of \$13,755.01, and Add Alternate Item 3, Cottonwood Avenue, in the amount of \$58,140.60, for a total contract amount of \$324,831.36. American Asphalt South, Inc. has provided quality construction on numerous annual paving projects for nearby cities, and staff recommends the award of this contract to American Asphalt South, Inc. as outlined below.

The original cost estimate for this project was \$2,200,000. However, the scope of the project was reduced resulting in a reduced cost estimate. The original scope of the FY 2016-17 Street Improvement Project included preventative maintenance via slurry-seal overlay of selected roads throughout the City and a full-depth roadway reconstruction of Main Street from La Junta Road to Pyrite Avenue. However, after careful inspection of this section of Main Street, City Staff concluded that a sag in the sewer line as well as drainage issues would need to be remediated before paving commenced.

Therefore, paving for the aforementioned section of Main Street, as well as remediation of the sag in the sewer line and the drainage issues, will be combined under a separate project number; construction for this project is scheduled to begin in the summer of 2018. Though the paving portion was removed from the project, preventative maintenance via slurry seal will remain in the scope of work with a reduced cost estimate of \$407,000.

FISCAL IMPACT

Funding for this project was included in the approved Fiscal Year 2017-18 Capital Improvement Program under Construction Order No. 7135 as follows:

- Measure I Renewal Funds: \$324,831.36

ALTERNATIVE(S)

1. Reject all bids and do not award the contract.
2. Provide alternative direction to staff.

ATTACHMENT(S)

1. Bid Results