



Legislation Text

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**AGENDA REPORT  
REQUEST FOR CITY COUNCIL ACTION**

DATE: 09/18/2019

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

**SUBJECT:**

City Council consideration of rejection of all bids received for the Street Pavement Maintenance and Rehabilitation Project, No. 2017-22, Notice of Inviting Bids (NIB) 20-004CA; adoption of the Plans and Specifications for the Street Pavement Maintenance and Rehabilitation Project, No. 2017-22, NIB 20-007CA; approve a Construction Contract with All American Asphalt in the amount of \$6,244,244; authorize the Purchasing Manager to issue a purchase order to All American Asphalt in the amount of \$6,244,244; and award the bid; authorize budgetary transfers within existing funding sources.

**RECOMMENDED ACTION:**

That the City Council:

1. Reject all bids received for the Street Pavement Maintenance and Rehabilitation Project, Project No. 2017-22, NIB 20-004CA.
2. Adopt the Plans and Specifications for the Street Pavement Maintenance and Rehabilitation Project, Project No. 2017-22, NIB 20-007CA.
3. Award the bid to All American Asphalt, the lowest responsive, responsible bidder, for the total bid amount of \$6,244,244, and waive any and all minor irregularities in the bidding documents as submitted by said bidder.
4. Authorize the City Manager, or his designee, to execute the Construction Contract with All American Asphalt, in the amount of \$6,244,244, and approve necessary change orders up to five percent of the contract amount.
5. Authorize the Purchasing Manager to issue a Purchase Order to All American Asphalt in the amount of \$6,244,244 for the construction services.

6. Authorize the creation of a new Capital Improvement Project titled "Street Pavement Maintenance and Rehabilitation Project."
7. Authorize budgetary transfers of \$6,856,456 from the Local Street Pavement Rehabilitation Project and Rubberized Asphalt Concrete (RAC) Project to the Street Pavement Maintenance and Rehabilitation Project as follows: \$4,736,421 in the RMRA Fund 221, \$904,539 in the Gas Tax Fund 222, \$923,791 in the Measure A Fund 227, and \$291,705 in the Rubberized Asphalt Concrete (RAC) Project in RMRA Fund 221.

#### ANALYSIS:

The Street Pavement Maintenance and Rehabilitation Project includes rehabilitation of approximately 68 lane-miles of local and major streets per attached Exhibit "A." Completion of this project will preserve the existing pavement, extend the useful life of the asphalt, and provide a smoother travel surface for motorists and pedestrians.

The Plans and Specifications for this project were completed and reviewed by City staff and are ready for adoption and award. The Plans and Specifications include four bid schedules; Base Bid Schedule A and Alternate Bid Schedules B, C and D. Base Bid Schedule A pertains to the rehabilitation of various major and local residential streets within the project area. Alternate Bid Schedule B, C and D pertain specifically to the rehabilitation of Border Avenue, Parkview Drive, and Sampson Avenue.

As specified in the bid package, the City shall award the contract for the project to the lowest responsive, responsible bidder as determined from the lowest total for the summation of the base bid Schedule A alone. As a part of the competitive bid by the lowest bidder, staff recommends the award of Base Bid Schedule A and Alternate Bid Schedules B, C and D as a part of the project.

This project was initially advertised pursuant to Public Contract Code requirements and City Ordinance, and on August 8, 2019, three (3) bids were received through the PlanetBids bidding service for NIB 20-004CA. City staff reviewed the bids and determined it would be in the City's best interest to reject all bids and rebid the project. The Public Contract Code and Section 18 of the Instructions to Bidders prohibits a prime contractor who submits a bid to have an interest in more than one bid for the same project, and the apparent lowest bidder was listed as a subcontractor on the second apparent lowest bid. Therefore, the two apparent lowest bids were rejected as non-responsive. The third apparent lowest bid far exceeded the Engineer's Estimate and was rejected.

The project was advertised a second time pursuant to Public Contract Code requirements and City Ordinance, and on September 5, 2019, two (2) bids were received through the PlanetBids bidding service for NIB 20-007CA.

The lowest bid was determined by the total of Base Bid Schedule A. The following is a summary of the bid results and the Engineer's Estimate:

| Contractor          |                      | Location    | Base Bid Schedule A Amount |
|---------------------|----------------------|-------------|----------------------------|
| Engineer's Estimate |                      |             | \$5,800,000.00             |
| 1                   | All American Asphalt | Corona      | \$5,278,782.4              |
| 2                   | Hardy & Harper, Inc  | Lake Forest | \$6,895,904.2              |

At this time, City staff recommends awarding the bid for Base Bid Schedule A, including Alternate Bid Schedules B, C and D, for a total contract amount of \$6,244,244.

The following is a summary of all the bid schedules:

| Contractor           | Location | Bid Schedule | Amount               |
|----------------------|----------|--------------|----------------------|
| All American Asphalt | Corona   | A            | \$5,278,782.4        |
|                      |          | B            | \$203,836.0          |
|                      |          | C            | \$105,755.6          |
|                      |          | D            | \$655,870.0          |
| Total:               |          |              | <b>\$6,244,244.0</b> |

| Contractor           | Location    | Bid Schedule | Amount               |
|----------------------|-------------|--------------|----------------------|
| Hardy & Harper, Inc. | Lake Forest | A            | \$6,895,904.21       |
|                      |             | B            | \$169,317.2          |
|                      |             | C            | \$111,802.4          |
|                      |             | D            | \$742,108.0          |
| Total:               |             |              | <b>\$7,919,131.8</b> |

Staff reviewed all bids received and recommends awarding the contract based on the Bid Schedule for a total contract amount of \$6,244,244 to All American Asphalt as the lowest responsive, responsible bidder. All licenses and references for All American Asphalt have been reviewed and verified by City staff, and all other documentation is in order.

City staff will perform the construction management, and the inspection services will be performed by a Contract Consultant. Construction is tentatively scheduled to commence in September 2019, with completion anticipated by January 2019.

#### COMMITTEE ACTION:

Not applicable.

#### STRATEGIC PLAN:

This item supports the City's Strategic Plan Goal 1: Promote Public Safety; Objective C: Ensure adequate funding for investments and improvements in infrastructure that support public safety. Completion of the proposed project will repair, replace, and install infrastructure improvements that contribute to the safety and mobility of Corona residents.

#### FISCAL IMPACT:

The estimated construction costs for this project is outlined as follows:

|                                    |                       |
|------------------------------------|-----------------------|
| Construction.....                  | \$6,244,244.00        |
| Construction Support Services..... | \$300,000.00          |
| Contingency.....                   | \$312,212.00          |
| Total Construction Costs.....      | <b>\$6,856,456.00</b> |

Staff recommends five percent for contingency to complete extra work when unforeseen changes are encountered.

With approval of the recommended actions, funds will be transferred from the Local Street Pavement Rehabilitation Project and Rubberized Asphalt Concrete (RAC) Project to the Street Pavement Maintenance and Rehabilitation Project. The project budget will be available in the following funding sources:

| Funding Source  | Amount      |
|---|-------------|
| Road Maintenance and Rehabilitation Account (RMRA) Fund 221 | \$4,736,421 |
| Gas Tax Fund 222  | \$904,539   |
| Measure A Fund 227  | \$923,791   |
| Rubberized Asphalt Concrete (RAC) Project - RMRA Fund 221   | \$291,705   |
| Total   | \$6,856,456 |

**ENVIRONMENTAL ANALYSIS:**

This action is categorically exempt pursuant to Section 15301(c) of the Guidelines for the California Environmental Quality Action (CEQQA), which states that a project which consists of minor repairs and maintenance to existing facilities does not have a significant impact on the environment and is therefore exempt from CEQA. This action involves minor repairs, maintenance and alteration of existing highways, streets, sidewalks, or similar features involving negligible or no expansion of use beyond that currently existing from the requirements of CEQA. Therefore, no environmental analysis is required.

**PREPARED BY:** BARRY GHAEMI, SENIOR ENGINEER

**REVIEWED BY:** TOM KOPER, P.E., ACTING PUBLIC WORKS DIRECTOR

**REVIEWED BY:** CITA LONGSWORTH, PURCHASING MANAGER

**REVIEWED BY:** KIM SITTON, FINANCE MANAGER III

**REVIEWED BY:** KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

**REVIEWED BY:** MICHELE NISSEN, ASSISTANT CITY MANAGER

**SUBMITTED BY:** MITCHELL LANSDELL, ACTING CITY MANAGER

**Attachments:**

1. Exhibit "A" - Location Map