



Staff Report

TO: City Council
FROM: Robert Vestal, Interim Public Works Director
DATE: September 5, 2023
SUBJECT: Award a Public Works Agreement to Vance Corporation for Construction of Citywide Street Rehabilitation and Maintenance Project in an Amount Not to Exceed \$4,857,405 – Capital Improvement Project R-24

Description Citywide Street Rehabilitation and Maintenance Project (CIP R-24).

Background and Analysis:

On January 17, 2023, City Council approved the street selection for the 2023 Citywide Street Rehabilitation and Maintenance Project (Project) and authorized the Public Works Director to finalize the bid package and solicit bids.

Consistent with Council's direction, staff prepared plans and specification and advertised the Project on July 27, 2023. On August 22, 2023, five (5) bids were received and publicly opened. The following is a summary of the received bids:

1. Vance Corporation	\$4,831,824
2. Matich Corporation	\$5,198,418
3. Calmex Engineering	\$5,943,692
4. All American Asphalt	\$6,127,783
5. Hardy and Harper	\$6,275,000

Vance Corporation is the apparent lowest responsive and responsible bidder. No bid challenges were received. Only the base bid was considered in evaluating the bids for the apparent lowest bidder. Vance Corporation had a minor irregularity in the base bid schedule, item 6 total cost. The stated total of \$216,521 was incorrect and should read \$220,621. The minor irregularity did not provide an advantage compared to the other bidders.

In addition to the base bid, the Project bid package included an additive bid schedule A (Additive A). Additive A allows for the mill and overlay of the alley, east of Beaumont Avenue, between Sixth Street and Seventh Street, and the connected east-west alley

portion. Vance Corporation provided an Additive A total cost of \$25,581. City staff is recommending including Additive A as part of the Project construction. City staff anticipates scheduling a preconstruction meeting with Vance Corporation within ten days of contract execution and issuing a Notice to Proceed (NTP). Subsequently, Vance Corporation will have ten days to commence construction after the NTP is issued.

Fiscal Impact:

The cost to prepare this staff report is estimated to be \$750. Construction cost for the Project will be paid from the Citywide Street Rehabilitation and Maintenance Project (CIP R-24). The following table is a summary of the Project budget:

R-24 Citywide Street Rehabilitation and Maintenance 23/24 Project Accounting Summary				
Funding Summary				
Funding Year	Funding Source		Amount	
22/23	SB1		\$1,117,898	
22/23	Measure A		\$1,638,936	
22/23	CDBG		\$503,086	
22/23	General		\$3,101,170	
Total Project Funding =			\$6,361,090	
Budget Summary				
Project Component	Budget	Encumbered	Paid to Date	Remaining Budget
Project Management	\$0	\$0	\$0	\$0
Preliminary Services	\$0	\$0	\$0	\$0
Environmental	\$0	\$0	\$0	\$0
Design	\$0	\$0	\$0	\$0
Construction	\$6,361,090	(\$74,877)	\$0	\$6,286,213
Construction Management	\$0	\$0	\$0	\$0
Permits	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0
Project Summary Totals	\$6,361,090	(\$74,877)	\$0	\$6,286,213

The public works agreement with Vance Corporation for construction will be in an amount not to exceed \$4,857,405. Staff is recommending a construction contingency of \$971,481, or approximately 20% of the public works agreement, to allow for unforeseen construction changes. The total construction amount requested at this time is therefore \$5,828,886. The construction budget will be established from the available CIP budget as shown in the preceding table.

Recommended Action:

Waive all minor bid irregularities and award a Public Works Agreement to Vance Corporation for construction of Citywide Street Rehabilitation and Maintenance Project (CIP R-24) in an amount not to exceed \$4,857,405; and authorize the City Manager to sign change orders up to an additional \$971,481 for a total construction amount of \$5,828,886.

Attachments:

- A. Public Works Agreement (Vance Corporation)
- B. Project Plans and Specifications