

Agenda Report

May 18, 2015

TO: Honorable Mayor and City Council

**FROM:** Department of Public Works

SUBJECT: CONTRACT AWARD TO DOUG MARTIN CONTRACTING COMPANY, INC. FOR SLURRY SEAL OF STREETS – 2015 FOR AN AMOUNT NOT TO EXCEED \$455,500

# **RECOMMENDATION:**

It is recommended that the City Council:

- 1. Find the project herein to be categorically exempt under the California Environmental Quality Act (CEQA) Guidelines in accordance with Title 14, Chapter 3, Class 1, Section 15301, minor alterations of existing public facilities involving negligible or no expansion of use beyond that previously existing at the time of the lead agency's determination; and
- 2. Accept the bid dated April 28, 2015, submitted by Doug Martin Contracting Company, Inc. in response to the Specifications for the Slurry Seal of Streets – 2015, and authorize the City Manager to enter into such contract for an amount not to exceed \$455,500.

# BACKGROUND:

This project consists of the slurry seal of nine miles of City streets, repainting of existing permanent traffic striping, and installation of raised pavement markers as needed. A list of the streets to be slurry sealed and a map showing locations are included as Attachments A and B to this report.

A finding of compliance with the General Plan was previously made and is shown on page 2.2 of the adopted FY 2015 Capital Improvement Program.

The Department of Public Works prepared plans and specifications for this project. In accordance with Section 4.08.070 of the Pasadena Municipal Code, bids were requested and received. This project was advertised in the *Pasadena Journal* on April 2, 2015. In addition, the Notice Inviting Bids was published in four trade publications and one website. Eight contractors obtained bid packets, three of whom submitted bids for the project.

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Following advertising, bids were received on April 28, 2015, and are as follows:

	Bidder	Amount (\$)
1.	Doug Martin Contracting Company, Inc., La Habra	\$414,097
2.	Pavement Coatings Company, Jurupa Valley	\$419,169
3.	Roy Allan Slurry Seal Inc., Santa Fe Springs	\$421,555

The lowest bid received was 12.8 percent higher than the Engineer's Estimate of \$367,240. The increase is due to higher than anticipated cost to repair full depth sections of asphalt pavement. In reviewing the project budget, there are sufficient funds to cover the proposed mileage. However, this increase in cost will impact the ability to start design of FY 2016 street maintenance projects during this current fiscal year.

The Department of Public Works recommends that Doug Martin Contracting Company, Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Doug Martin Contracting Company, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract with Doug Martin Contracting Company, Inc. fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 15, 2014. The contractor has indicated that the award of this contract will result in no new hires to its present workforce. Doug Martin Contracting Company Inc. is not currently contracted for other work for the City of Pasadena, but has previously worked in the City on the Slurry Seal of Streets 2014 project.

The contract for this project will be set up as follows:

Base Bid	\$ 414,097
Contingency Allowance	\$ 41,403
Contract "Not to Exceed" Amount	\$ 455,500

The Department of Public Works anticipates that construction will begin in July 2015 and be completed in August 2015.

### **COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goal to improve, maintain and enhance public facilities and infrastructure and improve mobility and accessibility throughout the City. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

#### **ENVIRONMENTAL ANALYSIS:**

The proposed project is exempt under CEQA in accordance with Title 14, Chapter 3, Class 1, Section 15301, minor alterations of existing public facilities involving negligible or no expansion of use beyond that existing at the time of lead agency's determination.

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## FISCAL IMPACT:

The cost of this contract is \$455,500 and the total cost of this action will be \$505,500. Funding for this action will be addressed by the utilization of existing funds in the Resurfacing and Slurry Sealing Streets FY 2015 CIP project (budget account 73906). This account has a current balance of \$2,002,812 which is sufficient to cover these costs. It is anticipated that all of the cost will be spent in FY 2016. There are minor indirect and support costs such as maintenance anticipated.

The following table presents a summary of all available sources of funds that may be used.

Gas Tax	\$1,683,562
Sewer Maintenance and Construction Fund	\$ 319,250
Total Sources	\$2,002,812

The following table represents a contract summary.

Base Bid	\$ 414,097
Contingency Allowance	\$ 41,403
Contract Administration/Inspection	\$ 50,000
Total Fiscal Impact	\$ 505,500

Respectfully submitted,

Julie A. Gutierrez Interim Director of Public Works

Prepared by:

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Principal Engineer

Approved by:

MICHAEL J. BECK City Manager

Attachment A - List of Streets Attachment B - Location Map