

Agenda Report

August 1, 2022

TO: Honorable Mayor and City Council

FROM: Department of Public Works

**SUBJECT: CONTRACT AWARD TO SULLY-MILLER CONTRACTING COMPANY
FOR ASPHALT CONCRETE CEMENT FOR AN AMOUNT NOT-TO-
EXCEED \$342,400 FOR UP TO FIVE YEARS**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. i) Accept the bid dated June 11, 2022 submitted by Sully-Miller Contracting Company (Sully-Miller) in response to project specifications for Asphalt Concrete Cement; and ii) authorize the City Manager to enter into a contract for an amount not-to-exceed \$273,920 over a four-year period (which includes a \$24,908 contingency to provide for any necessary change orders), with the option for a one-year extension in the amount of \$68,480 (which includes a \$6,227 contingency) at the discretion of the City Manager, for a maximum contract length of five years and a total not-to-exceed contact amount of \$342,400, inclusive of Consumer Price Index increases.

BACKGROUND:

The Department of Public Works Street Maintenance Division uses asphalt and concrete material throughout the City to perform both permanent and temporary sidewalk repairs, fill potholes, and perform other tasks. Due to the ability to procure material ready for use directly from a vendor, City crews are able to begin work at various locations on short notice.

On May 13, 2022, a Notice Inviting Bids to Furnish and Deliver Asphalt, Concrete, and Cement was posted on Planet Bids and was published in the local paper on May 19, 2022. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 12 vendors downloaded the specifications of which none were local. One vendor submitted a bid by the bid opening date of June 14, 2022. The bid received is as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
Sully-Miller Contracting Company, Brea, CA	\$ 62,253

Sully-Miller was the only responsible and responsive bidder. No responses were received during a previous bid opportunity posted on April 5, 2022. Since 2016, Sully-Miller has received contract awards totaling \$296,437 and is currently not under contract with the City of Pasadena. Staff has confirmed the contractor's license and Department of Industrial Relations status are in good standing.

The proposed contract amount below is based on budget availability and expected material purchases. The contingency allowance is to cover any unforeseen circumstances, additional purchases, and Consumer Price Index adjustments.

	Years 1 to 4	Year 5 Option
Amount	\$249,012	\$62,253
Contingency Allowance	<u>\$24,908</u>	<u>\$6,227</u>
	\$273,920	\$68,480
Total:		\$342,400

COUNCIL POLICY CONSIDERATION:

This project is consistent with the City Council's goals to maintain fiscal responsibility and stability; support and promote the quality of life and local economy; and ensure public safety.

ENVIRONMENTAL ANALYSIS:


The action proposed herein is not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. Entering into an agreement with a vendor to provide asphalt, and concrete, on an as needed basis is an administrative activity that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject

to CEQA, no environmental document is required. Any future construction activity utilizing such asphalt and concrete, would be subject to CEQA review at the time it is being considered. Given the nature of the projects likely to utilize the subject contract for asphalt concrete (e.g., Public Works Street Maintenance Division), it is anticipated that most, if not all, such projects would be exempt from CEQA pursuant to Class 1 Existing Facilities (CEQA Guidelines Section 15301) or other exemption classes.

FISCAL IMPACT:

The total cost of this contract is \$273,920 and the total cost of this action is \$342,400. Funding for this action will be addressed by the utilization of existing budgeted appropriations from the Department of Public Works Gas Tax Fund budget account (21022025-810100). It is anticipated approximately \$68,480 will be spent annually over the length of the contract.

Respectfully submitted:



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Approved by:



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