



Staff Report

TO: Mayor, and City Council Members

FROM: Jeff Hart, Public Works Director

DATE: March 3, 2020

SUBJECT: **Award the Public Works Agreement to Matich Corporation for Construction Services of the FY 19/20 Street CIP Program in an Amount Not to Exceed \$2,618,032, and Authorize the City Manager to Sign Change Orders up to an Additional \$261,804 for a Total Not to Exceed Construction Budget of \$2,879,836**

Background and Analysis:

On June 19, 2018, City Council adopted Resolution No. 2018-26, adopting the five-year Capital Improvement Plan (CIP) for fiscal years 18/19 through 22/23. On August 27, 2019, City Council provided guidance on CIP project priorities, subsequently, City staff prepared the FY 19/20 Street CIP Program (Program). The Program consists of several CIP projects packaged together to obtain competitive pricing and maximize available resources and funding. Similar CIP projects were grouped together to create three construction projects, which include the following CIP Projects:

Construction Project #	CIP #	CIP NAME
I	2018-004	Beaumont Ave Reconstruction Project
I	2019-002	Annual Citywide Street Rehab FY 19/20 Project
II	2018-003	Annual Citywide Street Rehab FY 18/19 Project (Alley)
III	2018-001	Annual Slurry Seal FY 18/19 Project
III	2019-001	Annual Slurry Seal FY 19/20 Project

The Program was advertised on January 14, 2020, and bids were received and opened on February 14, 2020. Staff received three (3) sealed bids for construction services, as summarized and ranked below:

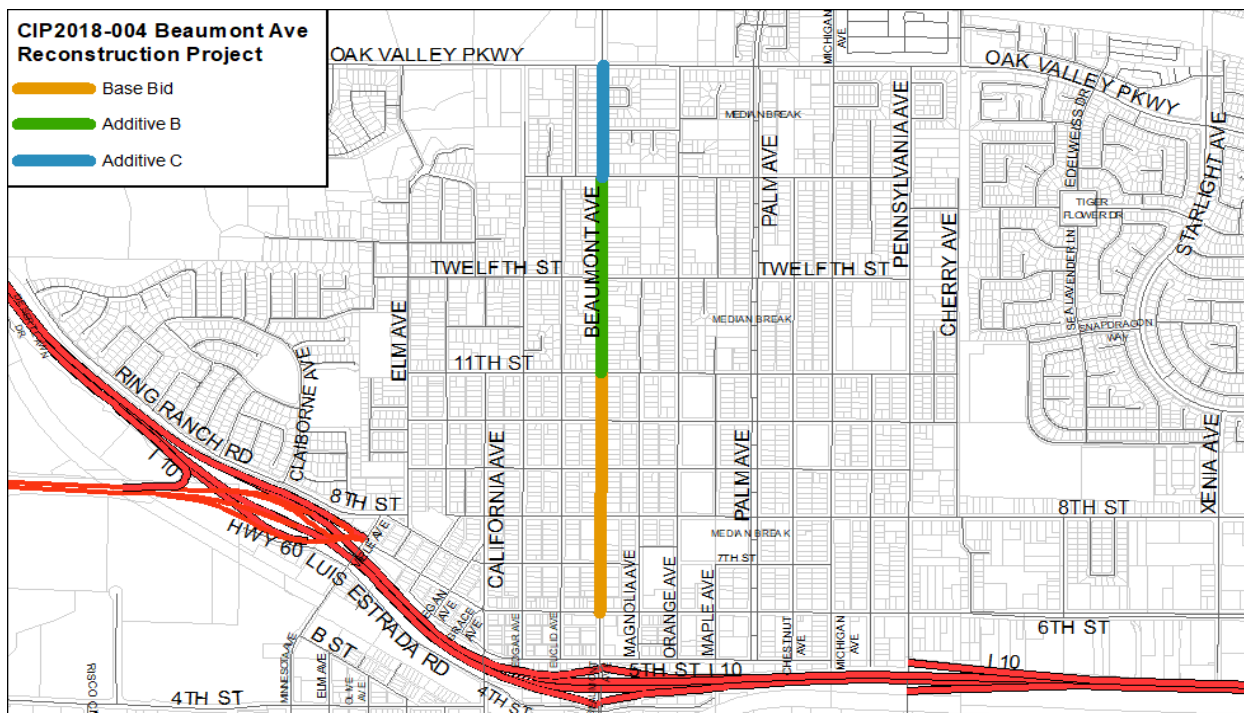
Rank	Contractor - City	Base Bid Results
1	Matich Corporation- Highland	\$1,326,520.93
2	Hardy & Harper- Lake Forest	\$1,371,428.10
3	All American Asphalt- Corona	\$1,548,847.50

The lowest responsive bidder was determined on the basis of the base bid only. Staff reviewed the bids and determined that Matich Corporation (Matich) is the verified lowest responsive and responsible bidder. No bid challenges were received.

Construction Project I: CIP 2018-004 Beaumont Ave Reconstruction Project

The Beaumont Avenue Reconstruction Project consist of full-depth replacement and mill and overlay of existing asphalt concrete (AC) along Beaumont Avenue. The bid schedule was divided into a base bid, alternative bid, and several additives to allow the City to maximize construction with limited funding. The following is a summary of the base, alternative, and additive bids for this project:

Item	Location / Description
Base Bid	Beaumont Ave; 6 th Street to 11 th Street
Additive B	Beaumont Ave; 11 th Street to 13 th Street
Additive C	Beaumont Ave; 13 th Street to Oak Valley Parkway
Alternative Bid	Pulverize existing AC in Place in Lieu of Base



Funding for this project is a combination of Measure A, SB-1 and CalRecycle grant reimbursement. The established total budget for this project is \$1,953,000 including all design, construction and contingencies. The available construction budget is \$1,887,762.80.

During contract negotiations, Match agreed to modify their bid to utilize a two-inch mill and overlay in lieu of a three-inch mill and overlay. The use of a three-inch mill and overlay increased the cost of the work significantly and will have limited additional benefit in pavement longevity. Therefore, staff recommends reducing the mill and overlay to two inches.

The following is a summary of the base bid, additive bids for this project, as well as bid results from the lowest responsive bidder:

Item	Bid Result	Bid Results with Alternative Bid	Negotiated Construction Cost
Project I - Base Bid	\$911,761.33	\$493,322.20	\$451,339.00
Additive B	\$532,327.45	\$428,361.50	\$302,801.50
Additive C	\$284,588.85	\$235,225.25	\$172,177.75
Alternative Bid	---	\$549,725.00	\$688,537.50
Total:	\$1,728,677.63	\$1,706,633.95	\$1,614,855.75

Staff is recommending that Council approve the negotiated construction cost shown in the preceding table.

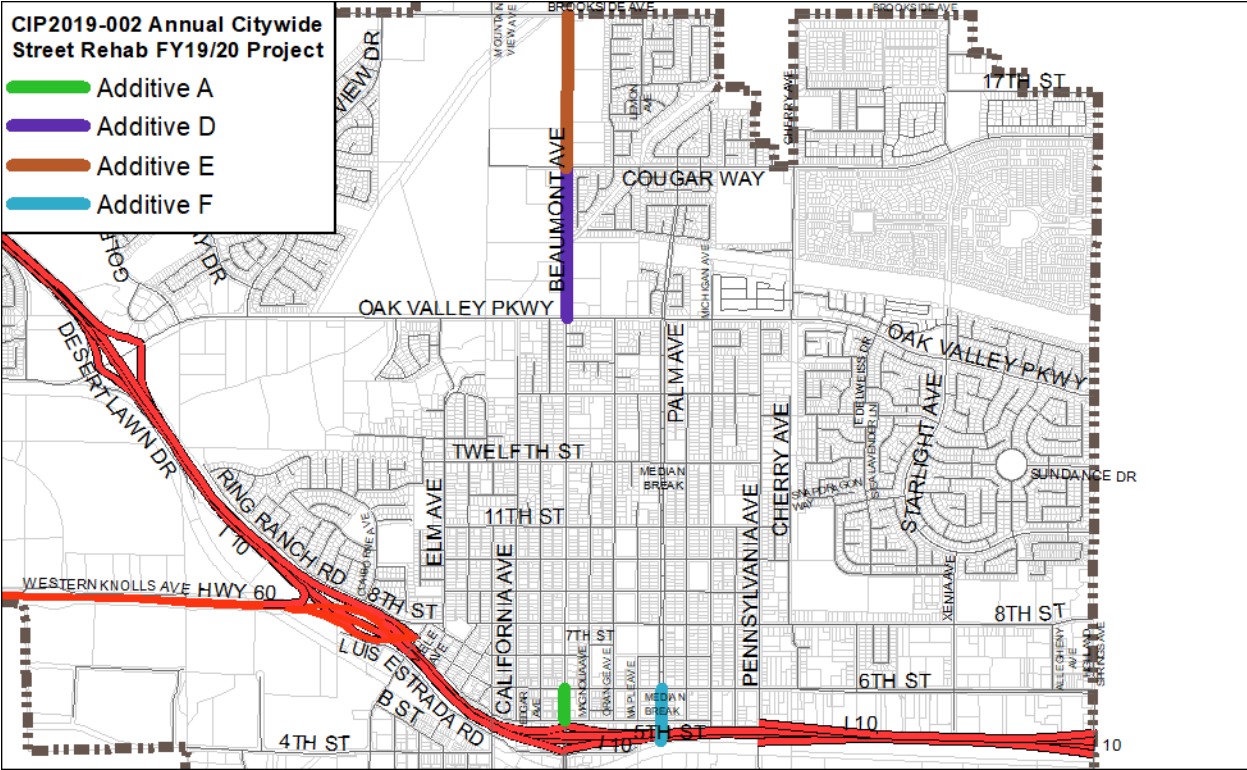
Construction Project I: CIP 2019-002 Annual Citywide Street Rehab FY 19/20 Project

The Annual Citywide Street Rehab FY 19/20 Project consist of mill and overlay of existing AC along Beaumont Avenue and Pennsylvania Avenue. The bid schedule for this project is divided into Additive A, Additive D, Additive E, and Additive F to allow the City to maximize construction with limited funding.

During contract negotiations, Match agreed to modify their bid for Additive A, to utilize the pulverize in place, rather than removing the asphalt pavement and base; which decreased the cost of work significantly.

The following is a summary of the additive bids for this project as well as bid results from the lowest responsive bidder:

Item	Location / Description	Bid Result	Negotiated Construction Cost
Additive A	Beaumont Ave; 5 th Street to 6 th Street	\$472,501.80	\$217,566.00
Additive D	Beaumont Ave; Oak Valley to Cougar Way	\$541,051.90	Not A Part
Additive E	Beaumont Ave; Cougar Way to Brookside Ave	\$494,623.02	Not a Part
Additive F	Pennsylvania Ave; n/o RR to 6 th Street	\$134,725.49	\$134,725.49
Total:		\$1,642,901.44	\$352,291.49



Funding for this project is a combination of Measure A, SB-1, and CalRecycle grant reimbursement. The established total budget for this project is \$1,100,000 including all design, construction, and contingencies. The available construction budget is \$1,097,250, however, in conjunction with the other listed projects, SB-1, and Measure A account balances do not support the addition of all additively.

Staff is recommending that Council approve the negotiated construction cost of Additive A & F as shown in the preceding table.

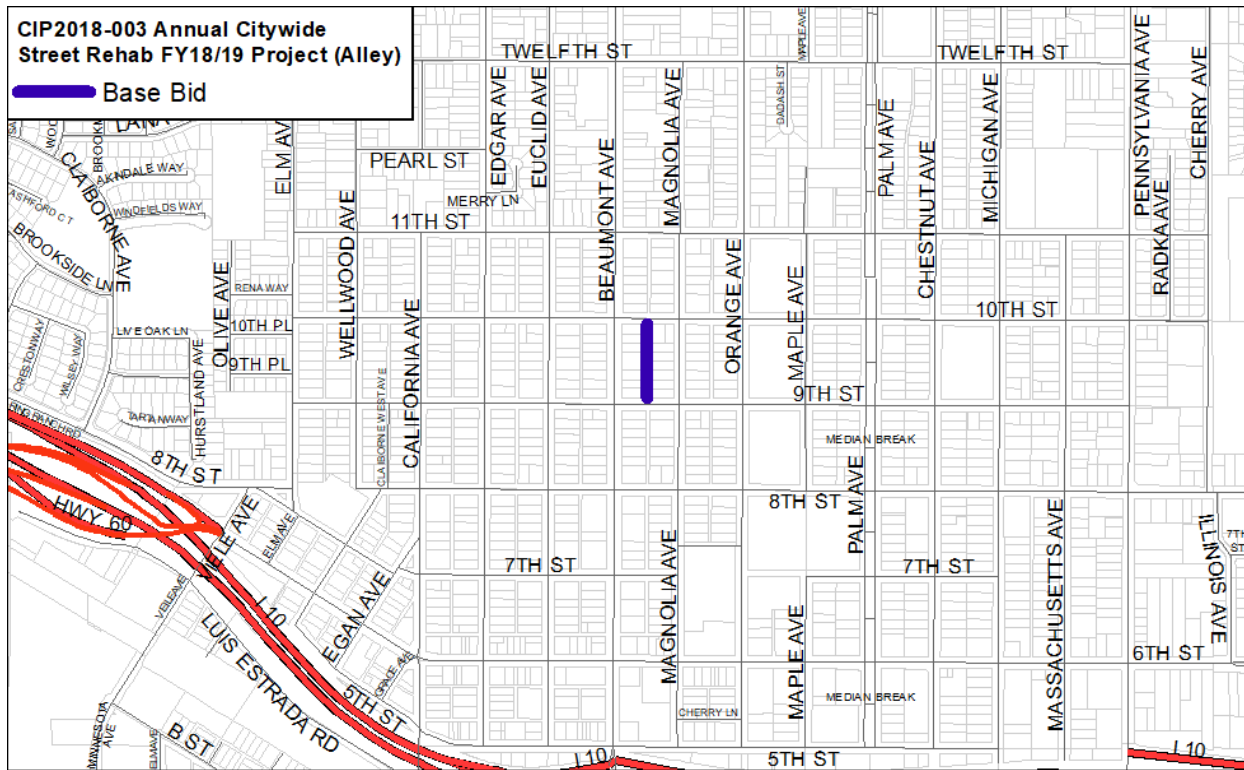
Construction Project II: CIP 2018-003 Annual Citywide Street Rehab 18/19 Project (Alley)

The Annual Citywide Street Rehab 18/19 Project (Alley) consists of full-depth replacement of AC along the alley, east of Beaumont Avenue, between Ninth Street and Tenth Street.

During contract negotiations, Match agreed to modify their bid to eliminate the use of rubberized asphalt for the top two inches of pavement. Instead the pavement will consist entirely of conventional asphalt pavement (five inches). The use of rubberized pavement increased the cost of the work and is not necessary for the alleyway. Therefore, staff recommends replacing the rubberized asphalt with conventional asphalt within the alleyway.

The following is a summary of the base bid for this project as well as bid results from the lowest responsive bidder:

Item	Location / Description	Bid Result	Negotiated Construction Cost
Project II-Base Bid	Alleyway; East of Beaumont Ave, from 9 th Street to 10 th Street	\$120,640.10	\$114,135.25



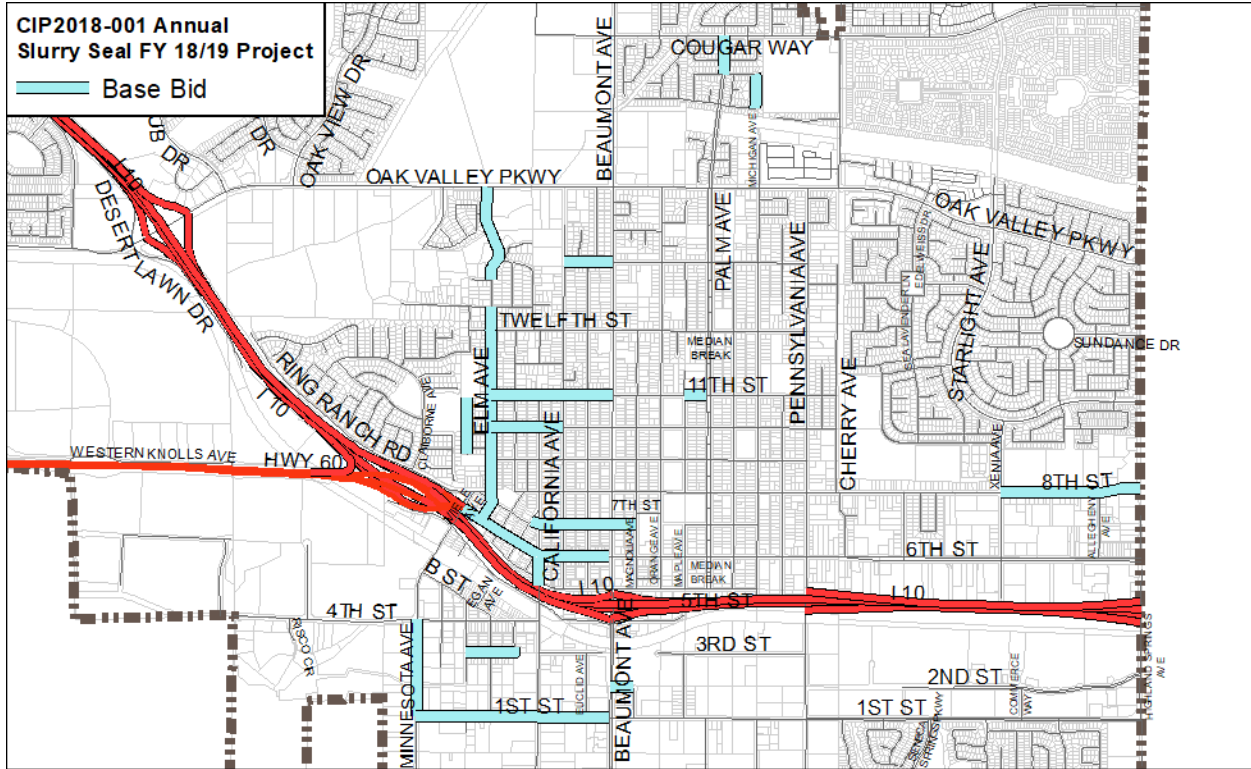
Funding for this project is from Alley In Lieu DIF and the Annual Citywide Street Rehab FY 19/20 Project.

Staff is recommending that City Council approve the negotiated construction cost of Project II- Base Bid shown in the preceding table.

Construction Project III: CIP 2018-001 Annual Slurry Seal 18/19 Project

The Annual Slurry Seal FY 18/19 Project consists of applying slurry seal to existing street surfaces throughout the City, predominantly west of Beaumont Avenue. The following is a summary of the base bid for this project as well as bid results from the lowest responsive bidder:

Item	Location / Description	Bid Result
Project III- Base Bid	Citywide, predominantly west of Beaumont Ave	\$294,299.50



Funding for this project is from Measure A and SB-1. The established total budget for this project is \$600,000 including all design, construction, and contingencies. The available construction budget is \$504,180.07.

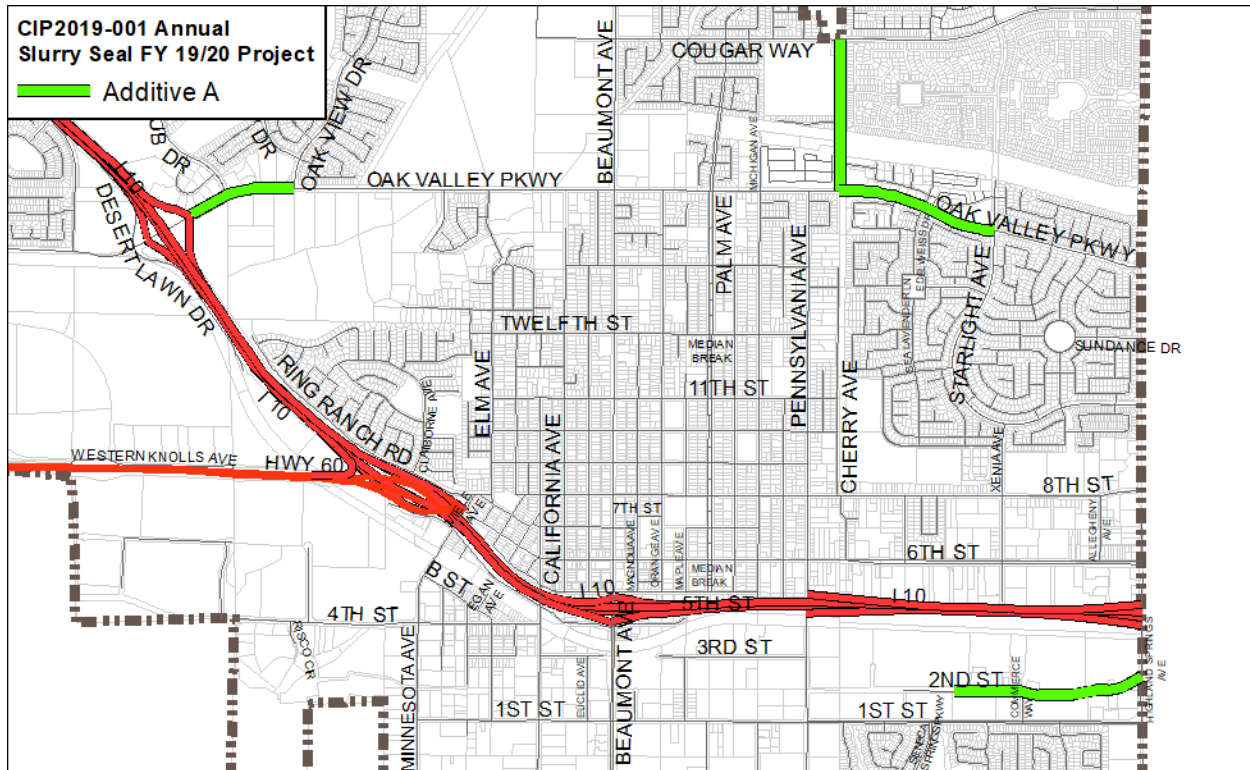
Staff is recommending that City Council approve the bid results of Project III- Base Bid as shown in the preceding table.

Construction Project III: CIP 2019-001 Annual Slurry Seal 19/20 Project

The Annual Slurry Seal FY 19/20 Project consists of applying slurry seal to existing street surfaces throughout the City, predominantly east of Beaumont Avenue.

The following is a summary of the additive bid for this project as well as bid results from the lowest responsive bidder:

Item	Location / Description	Bid Result
Project III- Additive A	Citywide, predominantly east of Beaumont Ave	\$242,450.00



Funding for this project is from Measure A and SB-1. The established total budget for this project is \$1,000,000 including all design, construction, and contingencies. The available construction budget is \$1,000,000.

Staff is recommending that City Council approve the bid results of Project III- Additive A Bid as shown in the preceding table.

Project Schedule:

The construction duration for the base bid for the Program is 90-workdays. During contract negotiations, Match requested an additional 30-workdays to complete the additives. The additives account for approximately 50% of the contract work.

Staff is recommending that City Council approve the additional 30-workdays to complete Additives A, B, C, and F. Additives D & E are not included in the award.

Fiscal Impact:

SB-1 funds, Measure A funds, Alley In Lieu DIF funds, and CalRecycle Grant funds will be used to compensate Match Corporation for their construction services. The CalRecycle grant will provide \$10 per ton of rubberized asphalt used for this Program.

The recycled asphalt is made using recycled California used tires. The CalRecycle grant reimbursement is not included in the project budget, reimbursement funds will be used for future projects. The following table shows the breakdown of construction services for each project, recommended for inclusion in the construction contract:

Project Budget	Construction Budget	Construction Cost	10% ± Contingency	Subtotal
Construction Project I: CIP 2018-004 Beaumont Ave Reconstruction Project: Base Bid, Additive B, Additive C, Alternative Bid, and Negotiated Construction Cost				
SB-1: \$1,219,000, Measure A: <u>\$734,000</u> Σ: \$1,953,000	\$1,887,762.80	\$1,614,855.75	\$161,486.00	\$1,776,341.75
Construction Project I: CIP 2019-002 Annual Citywide Street Rehab FY 19/20 Project: Additive A and Additive F and Negotiated Construction Cost				
SB-1: \$300,000, Measure A: <u>\$800,000</u> Σ: \$1,100,000	\$1,097,250.00	\$352,291.49	\$35,229.00	\$387,520.49
Construction Project II: CIP 2018-003 Annual Citywide Street Rehab FY 18/19 Project: Base Bid and Negotiated Construction Cost				
Alley in lieu: \$34,000 \$100,635.25 CIP <u>2019-002</u> Σ: \$134,635.25	\$24,900.00 + <u>\$100,635.25=</u> Σ: \$125,535.25	\$114,135.25	\$11,414.00	\$125,549.25
Construction Project III: CIP 2018-001 Annual Slurry Seal FY 18/19 Project: Base Bid				
SB-1: \$300,000, Measure A: <u>\$300,000</u> Σ: \$600,000	\$504,180.07	\$294,299.50	\$29,430.00	\$323,729.5
Construction Project III: CIP 2019-001 Annual Slurry Seal FY 19/20 Project: Additive A				
SB-1: \$400,000, Measure A: <u>\$600,000</u> Σ: \$1,000,000	\$1,000,000.00	\$242,450.00	\$24,245.00	\$266,695.00
Totals:		\$2,618,031.99	\$261,804.00	\$2,879,835.99

Recommended Action:

Award the Public Works Agreement to Matich Corporation for construction services of the FY 19/20 Street CIP Program in an amount not to exceed \$2,618,032, and

Authorize the City Manager to sign change orders up to an additional \$261,804 for a total not to exceed construction budget of \$2,879,836.

Attachments:

- A. Public Works Agreement - Matich Corporation
 - Exhibit "A": Notice Inviting Bids - January 14, 2020
 - Exhibit "B": Contractors Bid- Matich
 - Exhibit "C": Construction Schedule- Matich
 - Exhibit "D": Insurance Certificate- Not included at this time
- B. Project Plans and Specifications