



STAFF REPORT

September 13, 2023
File Number 0600-10; A-3473

SUBJECT

AWARD CONSTRUCTION CONTRACT FOR THE 2023 STREET REHABILITATION AND MAINTENANCE PROJECT – PHASE 2

DEPARTMENT

Development Services

RECOMMENDATION

It is requested that the City Council adopt Resolution No. 2023-124 awarding the construction contract to Eagle Paving Company, Inc., determined to be the lowest responsible and responsive bidder, and authorizing the Mayor, on behalf of the City, to execute a Public Improvement Agreement in the amount of \$6,181,000.00 for the 2022/23 Street Rehabilitation and Maintenance Project – Phase 2 (“Project”).

Staff Recommendation: Approval (Christopher McKinney, Deputy City Manager and Julie Procopio, City Engineer)

Presenter: Julie Procopio, City Engineer

FISCAL ANALYSIS

Adequate funding for this construction contract and its administration is programmed in the Annual Street Rehabilitation and Maintenance Capital Improvement Project budget, that includes Gas Tax, TransNet, and Road Maintenance and Rehabilitation Account (“RMRA”) funds.

PREVIOUS ACTION

On November 16, 2022, the City Council awarded a contract for Phase 1 of this Project that included replacement of damaged concrete improvements such as curb and gutter, sidewalk, pedestrian ramps, and cross gutters.

On August 16, 2023, the Council adopted Resolution No. 2023-105 rejecting all bids for the 2023 Street Rehabilitation and Maintenance Project – Phase 2, and authorizing staff to re-bid the project.

BACKGROUND

Phase 2 of the Annual Street Maintenance Program Project will rehabilitate pavement, apply crack sealant and surface treatments to extend the life of the pavement, and re-stripe affected streets within the East-North Maintenance Zone, and major and collector streets Citywide. The East-north Maintenance Zone



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includes the area bound by Ash on the west, East Valley Parkway on the south, and City-limits on the north and east. The Project will treat approximately 32 lane miles of pavement, and add or replace 1.66 miles of striping to improve bike lane corridors.

Initial bids received on August 3, 2023 reflected increased costs that ranged from 18% to 83% higher than bids received one year ago. Inflation has continued to substantially increase the cost of road repair and construction. Caltrans has reported an 8% increase in construction costs during the first six months of this year. In response to the bids received, the scope of work for the Project was revised to fit within the budget.

On August 31, 2023, three sealed bids were received in response to the advertised request for bids for the Project. The totals for the three bids submitted are listed below:

Eagle Paving Company, Inc.	\$6,181,000.00
ATP General Engineering Contractors	\$6,281,855.30
TC Construction Company, Inc.	\$7,058,832.70

The lowest bid was within 3% of the Engineer's Estimate of \$6,000,000. Staff recommends that the bid submitted by Eagle Paving Company, Inc. be considered the lowest responsive and responsible bid, and that a contract be awarded in the amount of \$6,181,000.00.

RESOLUTIONS

- a. Resolution No. 2023-124