



**AGENDA ITEM
CITY COUNCIL MEETING – JUNE 16, 2020
CONSENT CALENDAR**

TO : City Manager
FROM : Public Works Director
SUBJECT : **AWARD OF CONSTRUCTION CONTRACT FOR THE FY 19/20 CITYWIDE MICRO-SURFACING PROJECT**

EXECUTIVE SUMMARY:

The FY 19/20 Citywide Micro-surfacing Project will provide for the preservation and protection of several streets in Benicia by the application of a micro-surfacing pavement treatment.

RECOMMENDATION:

Move to adopt a resolution (Attachment 1) accepting the bids for the FY 19/20 Citywide Micro-surfacing Project; awarding the construction contract (Attachment 2) to Graham Contractors, Inc. of San Jose, CA, the lowest responsive and responsible bidder, in the amount of \$1,098,305.15; and authorizing the City Manager to sign the contract and any change orders on behalf of the City in an amount not-to-exceed \$1,263,050.92, which includes a 15% construction contingency of \$164,745.77.

BUDGET INFORMATION:

The annual Citywide Street Resurfacing Program is identified in the five-year Capital Improvement Program adopted by the City Council on May 28, 2019. The FY 19/20 project, advertised for bids as the Citywide Micro-surfacing Project, was subject to a budget adjustment when the City Council adopted Resolution No. 20-16 on February 18, 2020.

The total construction cost is \$1,263,050.92, which includes the bid of \$1,098,305.15 and a 15% contingency of \$164,745.77. Based on the City Council’s budget adjustment and the low bid, the FY 19/20 Citywide Micro-surfacing Project is sufficiently funded.

Proposed Project Budget

Solid Waste Franchise Fee (Acct. No. 4158010-7087)	\$160,000.00
Senate Bill 1/RMRA (Acct. No. 3118050-7087).....	\$57,925.00
Measure C (Acct. No. 4258050-7087)	<u>\$1,045,125.92</u>
Total Proposed Project Budget	<u>\$1,263,050.92</u>

Proposed Project Expenditures

Construction Contract	\$1,098,305.15
Construction Contingency (15%)	\$164,745.77
Total Proposed Project Expenditures	\$1,263,050.92

BACKGROUND:

The City’s Pavement Management Program (PMP) evaluates and applies cost-effective pavement treatments to nearly 200 lane miles of City streets. The purpose of the Citywide Street Resurfacing Program, an annual City Council-approved Capital Improvement Program project, is to deliver an annual pavement treatment project pursuant to the PMP.

Over the past four years, the City programmed micro-surfacing projects for streets with pavements rated as good/fair condition in the PMP. Micro-surfacing is one type of pavement treatment that consists of the application of asphalt emulsion and aggregate (very small crushed rock) to an asphalt-paved road to help preserve and protect the underlying pavement structure and provide a new driving surface.

It is typical for local agencies to contract out micro-surfacing/paving work due to the high cost of owning and maintaining pavement equipment, and managing pavement staff. Owning, maintaining, and running a pavement program may require an initial cost of \$1,300,000.00 in equipment, with a fully loaded ongoing (annual) cost of \$870,000.00 in personnel cost and \$155,000.00 in maintenance cost. At this time, it is more feasible to contract micro-surfacing work than to perform the work by City staff.

The FY 19/20 Citywide Micro-surfacing Project consists of replacing existing pavement striping and markers, repairing the pavement structure (dig-outs), crack sealing and micro-surfacing of approximately 1,331,660 square feet of streets at various locations throughout the City (See Attachment 3).

The Notice to Bidders was advertised in the Contra Costa Times and Benicia Herald for three (3) weeks; bid documents, which include the project specifications, were distributed on the BP Express Project website in May 2020; and to ensure a successful bid opening during the current economy impacted by the COVID-19 pandemic, staff called nine (9) paving contractors and informed them of the project.

On May 19, 2020, five bids were received, see below, and staff determined that Graham Contractors, Inc. is the lowest responsive and responsible bidder.

BID RESULTS		
Rank	Bidder Name and City	Bid Amount
1	Graham Contractors, Inc. of San Jose, CA	\$1,098,305.15
2	Dryco Construction, Inc. of Sacramento, CA	\$1,177,622.00

3	Intermountain Slurry Seal, Inc. of Reno, NV	\$1,181,181.00
4	VSS International, Inc. of West Sacramento, CA	\$1,127,000.00
5	American Asphalt, Inc. of Hayward, CA	\$1,520,360.15

NEXT STEPS:

If the City Council adopts the resolution, the contractor has ten (10) working days to execute a construction contract with the City, deliver appropriate insurance documents, and provide the necessary bonds for construction. After these requirements are met, the Public Works Department will issue a Notice to Proceed; work is scheduled to start at the end of June 2020.

ALTERNATIVE ACTIONS:

The City Council may choose to not award this contract, which would prevent the construction of the FY 19/20 Citywide Micro-surfacing Project.

General Plan	Goal 2.20: Provide a balanced street system to serve automobiles, pedestrians, bicycles, and transit
	Goal 2.28: Improve and maintain public facilities and services

Priority Based Budgeting	Strategic City Result Impacted by this Agenda Item
	The City Council and community identified six (6) key “Results” that establish the key goals for which the City of Benicia aspires to achieve with our programs and services. Agenda Items often influence multiple Results, the primary Result impacted by this Agenda Item is (please check one):
	<input checked="" type="checkbox"/> Protect Community Health & Safety <input type="checkbox"/> Maintain & Enhance A High Quality of Life <input checked="" type="checkbox"/> Preserve & Enhance Infrastructure <input type="checkbox"/> Strengthen Economic & Fiscal Conditions <input type="checkbox"/> Protect & Enhance the Environment <input type="checkbox"/> High Performing Government
	City Programs Impacted by This Agenda Item (Top 3):
	<ol style="list-style-type: none"> 1. Pavement Management Program 2. Capital Improvement Program 3. Asset Management
	Priority Based Budgeting (PBB) Website:
	Coming soon in Spring 2020 will be a link to the City of Benicia’s PBB website to learn more about these programs and their costs.

ATTACHMENTS:

1. Resolution - FY 19/20 Citywide Micro-surfacing Project
2. Construction Contract – Graham Contractors, Inc.
3. List of Micro-surfacing Streets

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