



CITY OF COMMERCE AGENDA REPORT

TO: HONORABLE CITY COUNCIL

Item No. _____

FROM: CITY ADMINISTRATOR

SUBJECT: A RESOLUTION (1) APPROVING CONTRACT CHANGE ORDER AUTHORIZATIONS TO ALL-AMERICAN ASPHALT'S CONTRACT FOR FY 2015-16 ANNUAL PAVEMENT REHABILITATION PROGRAM (PUBLIC WORKS PROJECT NO. 2015-15) FOR ADDITIONAL WORK RELATED TO THE TEEN CENTER PARKING LOT IMPROVEMENT, ASTOR AVENUE TRAFFIC CALMING, AND STEVENS PLACE STREET BEAUTIFICATION; (2) AUTHORIZING TRANSTECH TO PROVIDE CONSTRUCTION AND PROJECT MANAGEMENT-RELATED SERVICES

MEETING DATE: September 6, 2016

RECOMMENDATION:

Approve the Resolution, which approves the following contract change order (CCO) authorizations to All-American Asphalt's contract for the FY 2015-16 Annual Pavement Improvement and authorizes Transtech to provide construction and project management-related services per its existing "on-call" or staff augmentation contract(s) as follows:

1. Addition of the Teen Center Parking Lot Pavement Rehabilitation;
2. Addition of various pavement work and striping to accommodate Astor Avenue Traffic Calming; and
3. Addition of Street Beautification Improvements at Stevens Place.

BACKGROUND:

On November 6, 2012, the electors of the City of Commerce approved Measure AA (Ordinance No. 649) that authorized a one-half of one percent transactions and use (sales) tax to fund general municipal services. As part of Measure AA, 70% of the funding is to be used for one-time infrastructure/capital projects, street rehabilitation, public facility improvements, and environmental projects.

On August 18, 2015, City Council adopted the Fiscal Year 2015-16 Capital Improvement Program (CIP) that programmed \$7.2 Million in CIP projects. A budget of \$4 Million was approved for the FY 2015-16 Annual Pavement Rehabilitation Project (the "Project") as part of the adopted CIP.

On April 19, 2016, the City Council approved the plans and specifications for the Project. The Project scope of work will include “slurry sealing” and “cold mill and overlay” methods. Streets that are in “good” condition will receive a “slurry seal” which is a thin protective layer consisting of a mixture of liquid asphalt, rubber particles, sand, and water that is applied to the street pavement surface. Once applied, the slurry seal has a brown color with a rough, sandy surface that provides tire traction and prevents water from getting underneath the pavement.

It was previously noted that the final design differed from the recommendations included in the City’s Pavement Management System (PMS). The PMS is used as a planning tool and is not a final engineering design document. The final design was based on engineering judgment, field conditions, technical reports, coordination with other projects, and other various factors. Ultimately, the design reflects a street rehabilitation program that fits the budget and the needs of the City.

Streets that are not eligible for slurry seal will receive “cold mill and overlay,” when possible. “Cold mill” refers to the grinding of the surface of the asphalt, typically 2-3 inches. “Overlay” refers to the placement of asphalt pavement.

For this project, rubberized asphalt concrete (RAC) was utilized. RAC requires less maintenance, has a slightly longer life cycle, and is quieter than other typical asphalt pavement surfaces. Additionally, staff received a 2014-15 RAC grant from *CalRecycle* that will reimburse the City up to approximately \$145,200 for the use of RAC. This is a 100% grant reimbursement that requires no matching funds on the City’s part.

On June 7, 2016, the City Council awarded a contract to the lowest responsible bidder in the amount of \$2,147,921, plus a construction contingency in the amount of \$322,200 was approved for unforeseen conditions. The project is progressing within schedule and budget.

Staff performed a value engineering analysis and determined that, at this time, due to availability of additional budget and the possibility of project savings, it would be prudent to add several other pavement rehabilitation and improvement projects to this contract, as outlined above.

ANALYSIS:

The proposed addition of work is a cost effective approach that takes advantage of the available budget and the contractor’s presence to address some long-standing problems at various locations throughout the City, in an expeditious manner. The proposed work items are within the relevant scope of work.

- a. Task Item #1 – Teen Center Parking Improvement: This project is included in the 2015-2016 CIP for \$250,000 (CIP No. 2015-24). The Teen Center location is near the streets that are being rehabilitated, and as such there is an opportunity to complete this work in a cost effective and expeditious manner. The original CIP estimate for this work was approximately \$250,000. After value engineering and using unit bid prices in combination with negotiated prices, the cost is reduced to approximately \$175,000, which includes \$145,376.60 contractor proposed price, 10% contingency, and \$15,000 for the additional surveying, site layout, drainage,

grading and construction plan preparation and inspection services to be performed by Transtech Engineers, Inc. as part of the project. The total project cost of \$175,000 represents a cost saving and will also minimize additional inconveniences if this work were to be done later (*See Attachment 1 – Teen Center Pavement Rehabilitation*).

- b. Task Item #2 – Astor Avenue Traffic Calming improvements: This project is also included in the 2015-2016 CIP for \$410,000 (CIP No. 2015-23). This street is also located in the proximity of streets that are being rehabilitated, and performing this work as part of the ongoing project is again cost effective and expeditious. The original estimate for this work was approximately \$410,000. The original scope included construction of various raised medians, however, after value engineering, and revising the plans to accomplish the traffic calming through signing and striping only, the cost was reduced to approximately \$11,000, which includes \$8,773.60 contractor proposed price, 10% contingency, and \$1,000 for the additional plan preparation and inspection services to be performed by Transtech Engineers, Inc. as part of the project. Performing this work at this time will eliminate replacement and reconstruction of improvements later, and will minimize additional inconveniences. (*See Attachment 2 – Astor Avenue Traffic Calming*).
- c. Task Item #3 – Stevens Place Street Beautification: Council approved two CIP projects for improvements and beautification near the City's gateway at Stevens Place; the Heritage Park Parking Conversion, CIP No. 2016-21 for \$50,000 and the City Beautification Initiative, CIP No. 2016-22 for \$200,000. Recently, significant potholes have been reported on Stevens Place that require quick action to prevent further potholes and maintenance costs. Also, the City's Beautification Committee has been contemplating improving the existing concrete median island near Stevens Place to create a more attractive entry into the City. At the request of the Beautification Committee, a median improvement concept plan was developed and presented. Staff was directed to share the concept plan with the City Council. If the City Council approves the concept plan, it will be converted to construction plan and can be implemented with the pavement rehabilitation. If rehabilitation is done without the median improvement, the future median improvement will require reconstruction of newly paved street around the island, and will cost substantially more, as well as create additional inconveniences to public traffic. Stevens Place Median Island Improvement and Pavement Rehabilitation is located within near proximity of streets that are being rehabilitated, and performing this work as part of the ongoing project is cost effective. The estimated cost for the pavement rehabilitation and median improvement work is approximately \$277,500, which includes \$234,076.30 contractor proposed price (approx. \$104,000 for new median island, landscape, trees, ground cover, irrigation, river rock, etc. with construction at about \$12,000 for demolition, \$24,000 for new PCC median curb, \$88,000 for Stevens Place Pavement rehabilitation, and \$6,000 for striping), 10% contingency, and \$20,000 for the additional plan preparation and inspection services to be performed by Transtech Engineers, Inc. as part of the project. Performing this work at this time will eliminate replacement and reconstruction of improvements later, and will minimize additional inconveniences. (*See Attachment 3 – Stevens Place Pavement Rehabilitation and Median Improvement*).

ALTERNATIVES:

1. Approves staff recommendation
2. Reject staff recommendation
3. Provide staff with further direction

FISCAL IMPACT:

The total construction costs are as follows and initiated as contract change orders (CCO's):

Task Item #1 (CCO #1) – Teen Center Parking Lot Improvement	Amount
All-American Asphalt, Inc.	\$145,377
Construction Contingency (10%)	\$ 14,538
Additional Surveying, Site Layout, Drainage, Grading, Inspection, etc. (Transtech)	\$ 15,000
<i>Approximate Total for Task Item #1 =</i>	<i>~ \$175,000</i>

Task Item #2 (CCO #2) – Astor Avenue Traffic Calming Improvements	Amount
All-American Asphalt, Inc.	\$ 8,774
Construction Contingency (10%)	\$ 878
Additional Plan Preparation and Inspection Services, etc. (Transtech)	\$ 1,000
<i>Approximate Total for Task Item #2 =</i>	<i>~ \$ 11,000</i>

Task Item #3 (CCO #3) – Stevens Place Street Beautification	Amount
All-American Asphalt, Inc.	\$234,076
Construction Contingency (10%)	\$ 23,408
Additional Plan Preparation and Inspection Services, etc. (Transtech)	\$ 20,000
<i>Approximate Total for Task Item #3 =</i>	<i>~ \$277,500</i>

Totals for Task Items #1, #2 and #3	Amount
Task Item #1 (CCO #1)	\$175,000
Task Item #2 (CCO #2)	\$ 11,000
Task Item #3 (CCO #3)	\$277,500
<i>Approximate Grand Total =</i>	<i>~ \$463,500</i>

The above costs are already included in approved CIP budgets, and will not require additional budget allocations. Furthermore, because of cost efficiency and savings achieved, the unused balances of the previously approved budgets can be used for other projects and improvements.

RELATIONSHIP TO STRATEGIC GOALS:

The issue is applicable to the following Council's strategic goal: *"Improve and maintain infrastructure and beautify our community"* as identified in the 2012 Strategic Plan.

ATTACHMENTS:

1. Attachment 1 – Teen Center Pavement Rehabilitation (CCO & Proposal)
2. Attachment 2 – Astor Avenue Traffic Calming (CCO & Proposal)
3. Attachment 3 – Stevens Place Street Beautification (CCO & Proposal)
4. Resolution

Respectfully submitted:
Jorge Rifá, City Administrator

Recommended by:
Maryam Babaki, Director of PW/Dev Services

Reviewed by:
Vilko Domic, Finance Director

Approved as to form:
Eduardo Olivo, City Attorney