



City of Huntington Beach

File #: 23-075

MEETING DATE: 3/21/2023

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Al Zelinka, City Manager

VIA: Sean Crumby, Director of Public Works

PREPARED BY: Max Olin, Contract Administrator

Subject:

Accept the lowest responsive and responsible bid and authorize execution of a construction contract with All American Asphalt in the amount of \$4,385,950 for the Residential Zone 2 Overlay Project, CC-1701

Statement of Issue:

On January 12, 2023, bids were publically opened for the Residential Zone 2 Overlay Project. City Council action is requested to award the construction contract to All American Asphalt, the lowest responsive and responsible bidder and encumber additional funds for the replacement of concrete curb and gutter and sidewalk.

Financial Impact:

The total cost of the project is \$7,247,569. This total includes the construction contract of \$4,385,950 plus ten (10%) construction contingency of \$439,050, supplemental expenses of \$200,000 for construction management and inspection. Also, an additional \$1,500,000 in concrete work will be performed by a separate contractor under a current maintenance services contract.

Funds for a majority of this project are available in the current fiscal year budget in the Measure "M" Account 21390029.69365 (\$65,000), Gas Tax Account 20790060.82300 (\$2,479,182), Prop 42 Account 21990418 (\$53,387), Infrastructure Fund Account 31440101.82000 (\$2,400,000) Water Fund Account 50685201.82100 (\$150,000) and Sewer Fund Account 51185101.82300 (\$100,000). Furthermore, staff is requesting an additional appropriation of \$2,000,000 in HB Recovery Funds for the remaining difference.

Recommended Action:

A) Accept the lowest responsive and responsible bid submitted by All American Asphalt construction company in the amount of \$4,385,950; and,

B) Appropriate \$2,000,000 in HB Recovery Funds to Infrastructure Fund Account 31490022.82300,

and,

C) Authorize the Mayor and City Clerk to execute a construction contract in a form approved by the City Attorney.

Alternative Action(s):

Reject all bids and direct staff to re-scope the project by reducing project cost and complete half of residential zone 2 maintenance by appropriating \$2,750,000. Complete the remaining half of residential Zone 2 by adding this work to the next zone in the fiscal year 2023-2024.

Analysis:

This project will rehabilitate the pavement for approximately 120 of the worst residential street segments in Maintenance Zone 2 which is the last zone of the 12 Maintenance Zone Program. Maintenance Zone 2 is bounded by Garfield Avenue to the north, The Talbert Channel/City Boundary to the east, Hamilton Avenue to the south, and Bushard Street to the west. Work will include limited localized pavement repairs, crack sealing, cold milling, striping, and an asphalt overlay. The additional concrete work includes the removal and replacement of the most damaged areas of curb and gutter, sidewalk, and driveway approaches. Bids were publicly opened on January 12, 2023, with the following results:

BIDDER'S NAME	BID AMOUNT
All American Asphalt	\$5,816,400.00
Hardy & Harper	\$6,166,188.00
Excel Paving	\$6,495,430.00
RJ Noble Company	\$6,983,030.00

All American Asphalt has provided acceptable experience on similar projects in the past. In addition, due to budgetary constraints, the original bid from All American Asphalt was reduced by converting some streets from overlay to slurry resulting in an approximately \$1,400,000 savings. Therefore, staff recommends awarding a contract to All American Asphalt in the amount of \$4,385,950.

The original engineers estimate was prepared approximately a year and a half ago and due to the escalation of the price for asphalt and concrete the project is much more expensive than originally budgeted. In addition, there was a lot more concrete work required in this zone than previous zones which also necessitated additional budget.

The total cost of the project, including contingency and supplemental expenses, is as follows:

Project Costs:

Construction Contract	\$4,385,950
Construction Contingency (10%)	\$439,050
Soft Cost (Design, Construction Management)	\$200,000
Concrete	\$1,500,000
Total	\$7,247,569

Sources of funds for the project are as follows:

Measure "M" Account 21390029.69365	\$65,000
Gas Tax Account 20790060.82300	\$2,479,182
Prop 42 Account 21990418.82300	\$53,387
Infrastructure Fund Account 31440101.82000	\$2,000,000
Water Fund Account 50685201.82100	\$150,000
Sewer Fund Account 51185101.82300	\$100,000
Total	\$4,847,569

Appropriation Requested	\$2,000,000
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Environmental Status:

The project is categorically exempt pursuant to Class 1, Section 15301(c) of the California Environmental Quality Act.

Strategic Plan Goal:

Infrastructure & Parks

Attachment(s):

1. Vicinity Map
2. PowerPoint Presentation