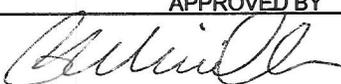


AGENDA ITEM NO.
<u>COUNCIL MEETING 10/2/07</u>
<u>APPROVED BY</u>

<u>DEPARTMENT DIRECTOR</u>
CITY MANAGER

October 2, 2007

FROM: PATRICK N. WIEMILLER, Director 
Public Works Department

BY: SCOTT L. MOZIER, PE, TE, Interim City Engineer/Assistant Director 
Public Works Department

LALKUMAR GOONAWARDENA, PE, Design Services Manager 
Public Works Department, Engineering Division

SUBJECT: AWARD A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$188,994.34 TO BUSH ENGINEERING INC., FOR ASPHALT CONCRETE OVERLAY ON TULARE STREET FROM FREEWAY 41 TO ORCHARD AVENUE (BID FILE NO. 2711, PROPERTY LOCATED IN COUNCIL DISTRICT 3)

KEY RESULT AREA

One Fresno

RECOMMENDATIONS

Staff recommends the Council award a construction contract in the amount of \$188,994.34 to Bush Engineering Inc., as the lowest responsive and responsible bidder for an asphalt concrete overlay on Tulare Street from Freeway 41 to Orchard Street.

EXECUTIVE SUMMARY

Tulare Street between Orchard Street and the Freeway 41 provides access to the on and off ramps as well as a major entryway to downtown Fresno. The existing asphalt pavement is in poor condition and requires resurfacing and overlay at this time in order to prevent further pavement failure, smooth riding surface and improve roadway safety. The City is responsible for the maintenance at this location per the City-Caltrans Maintenance Agreement.

KEY OBJECTIVE BALANCE

This project balances the Key Objectives of Customer Satisfaction, Financial Management and Employee Satisfaction. The project will contribute to customer satisfaction by improving traffic flow and providing better road conditions upon completion of the project. Financial Management objectives are achieved through preparation of quality contract documents and awarding the construction contract to the lowest responsive and responsible bidder, as well as preventing

REPORT TO THE CITY COUNCIL

Award Contract to Bush Engineering, Inc. for Asphalt Concrete Overlay

On Tulare Street From Freeway 41 to Orchard Avenue

October 2, 2007

Page 2

further pavement failure through this maintenance effort. Employee Satisfaction will be derived by the improved operation and added safety associated with the road improvements.

BACKGROUND

The FY08 budget adopted by the Council includes Federal Funding through the Regional Surface Transportation Program (RSTP) for the surfacing and overlay of Tulare Street between the Freeway 41 and Orchard Street. A Notice Inviting Bids was posted on the City's website and faxed to five building exchanges. The project was also advertised in the Fresno Business Journal on August 15, 2007. Bid documents for the project were distributed to eleven prospective bidders. Seven sealed bids were received and opened in the public bid opening on September 6, 2007, ranging from \$188,994.34 to \$407,836.

Bush Engineering, Inc., submitted the lowest bid in the amount of \$188,994.34 and is considered a responsive and responsible bid. The bid is 46% below the Engineer's Estimate of \$350,000 for this project.

The City Council may:

- A. Adopt staff's recommendation which would award a contract in the amount of \$188,994.34 to Bush Engineering Inc for the overlay project on Tulare Street from Freeway 41 to Orchard Street. The project will be completed within thirty (30) calendar days from the date of the Notice to Proceed, or
- B. Reject the bids. If the bids are rejected, the project will be rebid resulting in a delay of approximately 60 days and additional cost to rebid.

FISCAL IMPACT

See the attached Fiscal Impact Statement.

PW/SLM/LG/eam
Awd Cnst Contract Tulare Overlay 10-2-07

Attachment: Bid Evaluation Proposal
Fiscal Impact Statement

EVALUATION OF BID PROPOSALS

FOR: TULARE OVERLAY BETWEEN FREEWAY 41 AND ORCHARD FEDERAL AID PROJECT:
STPL 5060 (133)

Bid File No. 2711
Bid Opening: 9/6/07

BIDDERS'S	TOTAL NET BID AMOUNT
1. Bush Engineering, Inc 518 N Redington Street Hanford, CA 93230	\$188,994.34
2. Cruco Construction 2443 Foundry Park Ave Fresno, CA 93706	\$230,252.50
3. Foster & Sons General Engineering Contractors, Inc. 1559 North McCall Avenue Sanger, CA 93657	\$237,336.07
4. American Paving Company P.O. Box 4348 Fresno, CA 93744	\$247,570.00
5. Granite Construction Company P.O. Box 50085 Watsonville, CA 95077	\$254,246.00
6. Garcia Paving Company Inc. 2951 S Elm Fresno, CA 93706	\$287,226.20
7. Henderson Construction Company 2100 N Winery, Suite 104 Fresno, CA 93703	\$407,836.00

Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, September 6, 2007 5:00 P.M.

The Engineer's Estimate for this expenditure is \$350,000. The contract price is 46% below the Engineer's Estimate. If the overage is greater than 10% or only one bid was received, give explanation:

EVALUATION OF BID PROPOSALS

FOR: TULARE OVERLAY BETWEEN FREEWAY 41 AND ORCHARD FEDERAL AID PROJECT:
STPL 5060 (133)

Bid File No. 2711
Bid Opening: 9/6/07

BACKGROUND OF PROJECT (To be completed by Evaluating Department/
Division. Explain need for project/equipment):

In 2007, the City of Fresno was awarded a Federal Grant to overlay various streets in the city. Asphalt concrete paving on Tulare Street between Freeway 41 and North Orchard Street is in a poor condition and need to be replaced. The project consisted of overlay asphalt concrete paving, replacing traffic signal loop detectors, restoring signing and striping to enhance the quality of the road.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$188,994.34 to Bush Engineering, Inc. of Hanford as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval

Scott L. Nagy
Title Assistant Public Works Director

Date 9/12/07

Approve Dept. Recommendation Approve GSD/Purchasing Recommendation

Disapprove Disapprove

See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

Janet Smith 9/13/07
Purchasing Manager Date

B. C. ... 9/14/07
City Manager or Designee Date

David ... 9/30/07
Director Date

FISCAL IMPACT STATEMENT

PROGRAM: PW00424 - Tulare Overlay from FWY 41 to Orchard

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$188,994.34</u>	_____
Indirect Cost	<u>\$49,000.00</u>	_____
TOTAL COST	<u>\$237,994.34</u>	_____
Additional Revenue or Savings Generated	_____	_____
Net City Cost	<u>\$237,994.34</u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$344,500.00</u>	

Indirect costs consist of the following:

Construction Engineering: (Const. Manage., Surveying, Inspection, Contract Compliance)	\$ 28,000.00
Contract Engineering Support:	\$ 2,000.00
Contract Contingencies:	\$ 18,000.00
Project Closeout:	\$ 1,000.00
TOTAL	<u>\$ 49,000.00</u>