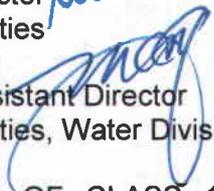


AGENDA ITEM NO.	1 J
COUNCIL MEETING	5/6/2010
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

May 6, 2010

FROM: RENE A. RAMIREZ, Director 
Department of Public Utilities

BY: MARTIN A. QUERIN, Assistant Director 
Department of Public Utilities, Water Division

SUBJECT:

1. ADOPT A FINDING OF CLASS 1, CLASS 2, AND CLASS 4, CATEGORICAL EXEMPTION, PURSUANT TO SECTION 15301, 15302, AND 15304, OF THE CEQA GUIDELINES, FOR PERMANENT ASPHALT CONCRETE PAVEMENT REPAIRS.
2. AWARD A CONTRACT TO WAY-MAR CONSTRUCTION COMPANY IN THE AMOUNT OF \$289,200.00 FOR PERMANENT ASPHALT CONCRETE PAVEMENT REPAIRS (BID FILE NO. 9109)

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt a finding of Class 1, Class 2, and Class 4 Categorical Exemption, pursuant to sections 15301, 15302, and 15304, of the CEQA Guidelines, for permanent asphalt concrete paving repairs.
2. Award a six-month requirements contract with provisions for five six-month extensions to Way-Mar Construction Company, in the amount of \$289,200.00, for permanent asphalt concrete pavement repairs.

EXECUTIVE SUMMARY

The Department of Public Utilities, Water Division, seeks to establish a six-month requirements contract with provisions for five six-month extensions for permanent asphalt concrete pavement repairs. The scope of work includes permanent paving repairs associated with the Water Division's operation and maintenance of the water system. Staff recommends that Council award a contract to Way-May Construction Company, the lowest responsive and responsible bidder, in the amount of \$289,200.00. Funding for this contract is included in the FY10 budget. This project spans fiscal years. Purchases made in FY10 will be at contract prices and futures purchases will be included in the FY11 budget.

BACKGROUND

CEQA Compliance

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Class 1, Class 2, and Class 4, Categorical Exemptions set forth in CEQA Guidelines, sections 15301, 15302, and 15304, as this contract is for the repair of existing street pavement associated with the operation and maintenance of the water system. The project will not result in the expansion of capacity of existing uses. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this project.

Need for Project

The Department of Public Utilities, Water Division, routinely cuts and removes existing street paving to gain access to the water system for repairs, maintenance, and capital improvements. These pavement cuts require a permanent asphalt concrete pavement repair when the water system work is complete. Due to the ongoing nature of this work, the Water Division is seeking to establish a requirements contract to obtain firm pricing, secured through competitive bidding, for up to three years that will allow the Water Division to order repairs on an as-needed basis.

Specifications for a permanent asphalt concrete pavement repairs requirements contract were prepared and advertised. A Notice Inviting Bids was posted on the City's website on March 10, 2010. Ten Building Exchanges were sent Notices Inviting Bids, and the specifications were distributed to fifteen prospective bidders. Four sealed bid proposals were received and three were opened in a public bid opening on April 8, 2010. One bid proposal received was returned because it did not include a bid deposit. Bid proposal prices ranged from \$289,200.00 to \$558,675.00. Bids will expire within 64 days of bid opening on June 11, 2010.

The City Council may:

- A. Adopt a finding of Class 1, Class 2, and Class 4 Categorical Exemption, pursuant to sections 15301, 15302, and 15304, of the CEQA Guidelines, for permanent asphalt concrete paving repairs.

Award a six-month requirements contract with provisions for five six-month extensions to Way-Mar Construction Company, in the amount of \$289,200.00, for permanent asphalt concrete pavement repairs.

- B. Reject all bids. If bids are rejected, the requirements contract will be rebid resulting in a delay of approximately sixty days.

FISCAL IMPACT

See attached Fiscal Impact Statement

Attachments:

- Evaluation of Bid Proposals
- Fiscal Impact Statement

**CITY OF FRESNO
CATEGORICAL EXEMPTION
ENVIRONMENTAL ASSESSMENT NO. EA-10-013**

THE PROJECT DESCRIBED HEREIN IS DETERMINED TO BE CATEGORICALLY
EXEMPT FROM THE PREPARATION OF ENVIRONMENTAL DOCUMENTS
PURSUANT TO ARTICLE 19 OF THE STATE CEQA GUIDELINES.

APPLICANT: City of Fresno
Department of Public Utilities
2600 Fresno Street
Fresno, CA 93721

PROJECT LOCATION: City-wide, as needed.

PROJECT DESCRIPTION: Scope of work includes permanent asphalt concrete paving repair associated with operation and maintenance of city water system. Maintenance, repairs, and capital improvements to the existing utility infrastructure will not result in the expansion of capacity of existing uses.

This project is exempt under Sections 15301 (Class 1/Existing Facilities), 15302 (Class 2/Replacement or Reconstruction), and 15304 (Class 4/Minor Alterations to Land) of the California Environmental Quality Act (CEQA) Guidelines.

EXPLANATION:

Section 15301 (Class 1/Existing Facilities) of the CEQA Guidelines exempts from the provisions of CEQA, projects consisting of the operation, repair, maintenance, permitting, leasing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Example include but are not limited to: Existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services; and, Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety).

Section 15302 (Class 2/Replacement or Reconstruction) of the CEQA Guidelines exempts from the provisions of CEQA, projects consisting of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. Examples include but are not limited to replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.

Section 15304 (Class 4/Minor Alterations to Land) of the CEQA Guidelines exempts from the provisions of CEQA, projects consisting of minor public or private alterations in the condition of land, water, and vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. Examples include but are not limited to: Grading on land with a slope of less than ten percent; filling of earth into previously excavated land with material compatible with the natural features of the site; and, Minor trenching and backfilling where the surface is restored.

Date: April 26, 2010

Prepared By: Will Tackett, Planner III

Submitted by:


Will Tackett
Planner III
City of Fresno
Planning and Development Department
(559) 621-8277

CITY CLERK, FRESNO CA

2010 APR 26 AM 11:40

RECEIVED

EVALUATION OF BID PROPOSALS

Page 1

FOR: REQUIREMENTS CONTRACT FOR PERMANENT ASPHALT CONCRETE PAVEMENT REPAIRS (PUBLIC WORKS)

Bid File No. 9109
Bid Opening: April 8, 2010

BIDDERS	TOTAL NET BID AMOUNT
1. Way-Mar Construction Co. dba M G Paving Co. 4585 N Hayes PO Box 12645 Fresno CA 93778	\$289,200.00
2. West Valley Construction Company, Inc. PO Box 5639 San Jose CA 95150	\$417,270.00
3. Granite Construction Company 585 W Beach Street (PO Box 50085) Watsonville CA 95076	\$558,675.00

Each bidder has agreed to allow the City sixty-four (64) 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, May 5, 2010, 5:00 P.M.

The current contract pricing is 36% below the previous contract pricing. If the overage is greater than 10% or only one bid was received, give explanation:

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

The Department of Public Utilities, Water Division routinely cuts and removes existing street paving to gain access to the water system for repairs, maintenance, and capital improvements. These pavement cuts require a permanent pavement repair. Due to the ongoing nature of this work, the Water Division established a requirements contract in 2006 to obtain firm pricing, secured through competitive bidding, for three years that allowed the Water Division to order the repairs on an as needed basis. That requirements contract expired in December, 2009, and the Water Division has competitively rebid the contract to establish new pricing for up to 3 years.

EVALUATION OF BID PROPOSALS

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FOR: REQUIREMENTS CONTRACT FOR PERMANENT ASPHALT CONCRETE PAVEMENT
REPAIRS (PUBLIC WORKS)

Bid File No. 9109
Bid Opening: April 8, 2010

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$289,200.00
to Way-Mar Construction Co.
as the lowest responsive and responsible bidder.

Remarks:

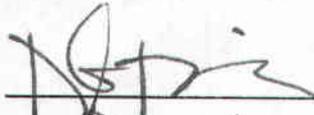
Reject all bids. Reason:

EVALUATION OF BID PROPOSALS

FOR: REQUIREMENTS CONTRACT FOR PERMANENT ASPHALT CONCRETE PAVEMENT REPAIRS (PUBLIC WORKS)

Bid File No. 9109
Bid Opening: April 8, 2010

Department Head Approval

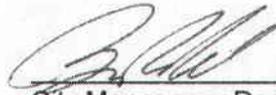

Title Director of Public Utilities
Date 4/21/10

- Approve Dept. Recommendation Approve GSD/Purchasing Recommendation
- Disapprove Disapprove
- See Attachment

GENERAL SERVICES DEPARTMENT

CITY MANAGER

James B. MacDonald 4/22/2010
Purchasing Manager Date

 4/22/10
City Manager or Designee Date

 4/22/10
Director Date

FISCAL IMPACT STATEMENT

PROGRAM: Fund 40101/Org 411001/Project WM00004

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$289,200.00</u>	<u>\$578,400.00</u>
Indirect Cost	<u>\$12,500.00</u>	<u>\$25,000.00</u>
TOTAL COST	<u>\$301,700.00</u>	<u>\$603,400.00</u>
Additional Revenue or Savings Generated	<u>0</u>	<u>0</u>
Net City Cost	<u>\$301,700.00</u>	<u>\$603,400.00</u>
Amount Budgeted (If none budgeted, identify source)	<u>\$301,700.00</u>	<u>\$603,400.00</u>