



R-26

CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

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March 21, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. R-7084 and award a contract to All American Asphalt, of Corona, CA, for street improvements, in an annual amount not to exceed \$40,000,000, for a period of one year, with the option to renew for two additional one-year periods, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into a contract, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with All American Asphalt for performing street construction services. The contract provides the City with fixed unit pricing for street, parking lot, and taxiway improvements. Work performed under this contract includes the repair and replacement of street pavement, curbs and gutters, curb ramps, parking lot pavement, airport taxiway pavement, and other asphalt related improvements.

This is an on-call contract where work is only done by the contractor based on individual work orders issued by the City and does not include any guaranteed minimum payment or retainer fee. Payment to the contractor under this contract will be based on the number of the work orders issued by the City and fully completed by the contractor. The maximum dollar amount allowed to be issued in work orders under this on-call contract is \$40,000,000 annually. Passage of the City's Measure A and Los Angeles County's Measure M has made additional funding available for street repairs. This contract will enable the City to utilize all funds allotted for this purpose.

While the Public Works Department will be responsible for administrative control and monitoring of the contract, it may be used by other departments on a variety of street and airport-related projects.

The bid was advertised in the Long Beach Press-Telegram on December 12, 2016, and 4,208 potential bidders specializing in street construction services were notified of the bid opportunity. Of those bidders, 67 downloaded the bid via the City's electronic bid system. The bid documents were made available by the Purchasing Division, located on the seventh floor of City Hall, and on the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority and women-owned business groups. Seven bids were received on January 11,

2017. Of those seven bidders, none were Women-owned Business Enterprises (WBEs), none were Disadvantaged Business Enterprises (DBEs), one was a Minority-owned Business Enterprise (MBE), two were certified Small Business Enterprises (SBEs), and one was a Long Beach Business (Local). All American Asphalt, of Corona, CA (SBE), was the lowest responsible bidder.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download the bid specifications. Through outreach, 377 Long Beach vendors were notified to submit bids, of which four downloaded and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Linda T. Vu on February 21, 2017 and by Budget Analysis Officer Julissa Jose-Murray on March 1, 2017.

SUSTAINABILITY

The asphalt material used under this contract will include recycled rubber tires at a rate of 2.7 tires per ton of asphalt used. It is estimated that up to 945,000 tires, which would have gone to a landfill, will be recycled into asphalt during the term of this contract.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. R-7084 and award a contract to All American Asphalt is requested on March 21, 2017, to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total annual cost of the contract is a not to exceed amount \$40,000,000, and is estimated based on current and anticipated projects within various City departments, primarily in the Public Works Department (PW), Airport Department (AP) and Gas and Oil Department (GO). Any work not currently budgeted will only proceed at such time that appropriations have been approved by the City Council. Each work order will be funded by the requesting department per project, on an as-needed basis. The number of additional local jobs created by the award of this contract will not be known until the contractor completes hiring and construction has commenced.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

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APPROVED:



PATRICK H. WEST
CITY MANAGER