



## Legislation Text

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**File #:** 22-1438, **Version:** 1

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Recommendation to authorize City Manager, or designee, to execute all documents necessary to amend Contract No. 35430 with All American Asphalt, of Corona, CA, for as-needed local street improvements, to increase the contract authority amount by \$30,000,000, for a revised contract authority amount not to exceed \$67,000,000. (Citywide)

City Council approval is requested to amend Contract No. 35430 with All American Asphalt to continue to provide local street construction services, such as repair and replacement of street pavement, slurry seal, construction and replacement of alleys, sidewalks, driveways, curbs, gutters, curb ramps, and related improvements.

On November 12, 2019, the City Council awarded a contract to All American Asphalt as one of the vendors who were part of adoption of Specification No. R-7153 for as-needed local street construction, for a period of two years, with the option to extend for three (3) additional one-year terms.

This contract includes repairing and replacing street pavement, curbs, gutters, driveways, alleys, curb ramps, roadway markings and striping, and other street-related improvements.

This on-call contract provides City of Long Beach (City) staff with an efficient construction delivery model for street improvement projects. Work under this contract is performed 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 is based on the work orders issued and completed by the contractor.

With the passage of Measure A, Los Angeles County Measure M, and the Road Repair and Accountability Act of 2017 - Senate Bill 1 (SB 1), additional funding is available for street repairs. The programmed local street projects in the Fiscal Year 23 (FY 23) Adopted Capital Improvement Program (CIP) budget are estimated to cost more than the remaining contract authority limit. Staff recommends increasing the current contract authority by an additional \$30,000,000 to ensure delivery of the programmed FY 23 local street projects.

Per the City's request, the contractor has submitted the attached renewal unit prices for a one-year extension period from January 1, 2023, through December 31, 2023. The renewal rates reflect a three percent cost increase for non-concrete, asphalt, and slurry seal construction items and a six to twelve percent cost increase for concrete, asphalt, and slurry seal construction items. The increases are due to inflation, labor, and material cost increases and are below the industry price increase indexes. The renewal rates are still lower than those received on other competitively bid street projects.

This matter was reviewed by Deputy City Attorney Vanessa S. Ibarra and by Budget Management Officer Nader Kaamoush on November 14, 2022, and by Purchasing Agent Michelle Wilson on November 3, 2022.

City Council action to amend Contract No. 35430 is requested on December 6, 2022, to ensure the continued delivery of the programmed street projects without interruption.

The requested action increases the contract authority with All American Asphalt by \$30,000,000 for a total contract amount not exceed \$67,000,000. Expenditures cannot be projected at this time, and any work not currently budgeted will only proceed at such time as the City Council has approved appropriations. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. Approval of this recommendation will potentially positively impact the local job market, but the number of jobs is unknown at this time.

Approve recommendation.

ERIC LOPEZ  
DIRECTOR OF PUBLIC WORKS

APPROVED:

THOMAS B. MODICA  
CITY MANAGER