



CITY OF LONG BEACH

DEPARTMENT OF PUBLIC WORKS

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February 19, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt specifications R-6940, award an as-needed contract to All American Asphalt for the annual contract for street improvements; and authorize the City Manager to execute the contract and any necessary amendments thereto relative to the scope of work for a one-year term, and to extend the contract term for up to two additional years, and increase unit prices if necessary based on the inflation index, in an amount not to exceed \$15,000,000 over the three-year term.

DISCUSSION

The City's annual street resurfacing contract provides the City with fixed unit prices for a 12-month period to construct street and airport taxiway improvements. Work generally performed under this contract includes the repair and replacement of street pavement, curbs and gutters, curb ramps, parking lot pavement, airport taxiway pavement and 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. Payment to the contractor under this contract will be based on the number of work orders issued by the City and fully completed by the contractor. The contract does not include any guaranteed minimum payment or retainer fee to the contractor. The maximum amount of work orders that can be issued under this on-call contract is \$15,000,000 over the three-year contract term. All work orders issued under this contract will be funded with existing appropriations as well as additional appropriations made during the term of the contract and approved by City Council.

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

The contract specifications allow for an extension of the contract for up to two additional years. In the event that a renewal option is exercised, the City will provide advance notification to the contractor and require any proposed price increases to be submitted to the City Engineer for approval at least 60 days prior to expiration of the contract. The City reserves the right to accept or reject any price increase or to cancel the contract.

City Council adoption of the plans and specifications and award of the contract to the lowest responsible bidder are being recommended concurrently to expedite project implementation. The project was advertised for bids on December 20, 2012, and bids were opened on January 23, 2013. In addition to placing an advertisement for bids in the Long Beach Press Telegram, bid documents were made available through the City's weblink at, <http://www.PlanetBids.com>, in a continuing effort to increase participation of local businesses, Minority Business Enterprises (MBEs), Women Owned Business Enterprises (WBEs), and Disadvantaged Business Enterprises (DBEs). Bid documents were also sent to several trade publications and plan rooms catering to these groups within the construction industry.

For this bid, 1,069 firms registered on the website were notified via automatic email notice, including 124 located in Long Beach. Fifty-five sets of bid documents were downloaded or purchased by prospective bidders and thirteen bids were received. Of the bidding firms, one is a local business, none are certified MBE or WBE. There was one DBE registered firm that submitted a bid. All American Asphalt, of Pomona, California (not a DBE, MBE or WBE), has been determined to be the lowest responsible bidder.

This matter was reviewed by Deputy City Attorney Linda Vu on January 31, 2013 and by Budget Management Officer Victoria Bell on February 4, 2013.

SUSTAINABILITY

All asphalt concrete used under this contract will include recycled asphalt and ground rubber tires in the mix design, at the rate of 2.7 tires per ton of asphalt used. Assuming 70,000 tons of asphalt, then it is estimated that up to 189,000 tires, which would have gone to a landfill, will be recycled into asphalt during the term of this contract.

TIMING CONSIDERATIONS

City Council action on this matter is requested on February 19, 2013 in order to continue with delivery of programmed street, parking lot, and airport taxiway projects planned for FY13.

FISCAL IMPACT

Based on historical and anticipated usage by all City Departments, the maximum amount of work orders that can be issued under this on-call contract is \$15,000,000 over the three-year contract term. Individual work orders issued under this contract will be funded by the department issuing the purchase order within their current appropriations; or after sufficient appropriations are made available. This action may have a positive impact on local jobs.

HONORABLE MAYOR AND CITY COUNCIL

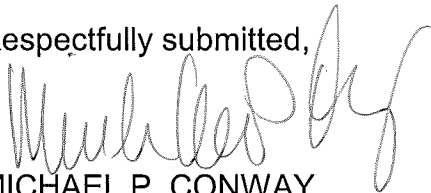
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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

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APPROVED:



PATRICK H. WEST
CITY MANAGER