



Legislation Text

File #: 16-1110, **Version:** 1

Recommendation to authorize City Manager, or designee, to execute a Fifth Amendment to Contract No. 33031 with All American Asphalt, of Corona, CA, for the Annual Contract for Street Improvements, extending the contract term to August 31, 2017. (Citywide)

On February 19, 2013, the City Council authorized the City Manager to execute an annual contract for street improvements with All American Asphalt (All American) for an annual amount of \$15,000,000. The City Council authorized four contract amendments, bringing the total contract authority to a not to exceed amount of \$58,000,000, and extending the term to February 28, 2017. The on-call contract provides the City with fixed unit prices, for a 12-month period, and the quantity of work is issued in work orders, specified by the City, and then completed by All American, as a typical Public Works construction project. This method of contract delivery provides staff with an extremely efficient contract delivery model for street improvement projects. The contract does not include any guaranteed minimum payment or retainer fee to the contractor.

Work performed under this contract includes street improvement, parking lot and airport-related projects. All American has done excellent work for the City, particularly in completing the construction of asphalt and slurry projects in a timely manner. All American is currently constructing the asphalt and slurry-related improvements for the Fiscal Year 2017 (FY 17) Measure A street improvements, and has provided the City with a written offer to extend the contract term for another six months at the same unit prices originally bid in February 2013. Considering that the current contract unit prices are typically lower than those now being received on other competitively bid street projects, staff is recommending that the City accept this offer and have the City Manager extend the contract term and the existing total contract authority through August 31, 2017.

This matter was reviewed by Deputy City Attorney Linda T. Vu on November 9, 2016 and by Budget Management Officer Rhutu Amin Gharib on November 22, 2016.

SUSTAINABILITY

All asphalt 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 160,000 tires that would have gone to a landfill, will be recycled into asphalt during the term of this contract.

City Council action on this matter is requested on December 13, 2016, to provide for the timely construction of Measure A street improvements budgeted in FY 17.

The requested recommendation extends the term of the contract to August 31, 2017. No contract authority increase or appropriation increase is requested at this time. All work orders issued under this contract amendment will be funded within existing appropriations and will not exceed the remaining contract authority of \$7,800,000. Any work not currently budgeted will only proceed at such a time that appropriations have been approved by the City Council. Approval of this recommendation will provide continued support to the local economy.

Approve recommendation.

CRAIG A. BECK
DIRECTOR OF PUBLIC WORKS

APPROVED:

PATRICK H. WEST
CITY MANAGER