



Legislation Text

File #: 2016-959, Version: 1

Report to Mayor and City Council

Tuesday, September 20, 2016

Consent

SUBJECT:

CONSIDER APPROVAL OF PLANS, SPECIFICATIONS AND ESTIMATES, AND AWARD OF A CONSTRUCTION AND MATERIALS PURCHASE CONTRACT FOR RUBBERIZED SLURRY SEAL PROJECT NO. 1413: CITYWIDE ANNUAL RUBBERIZED SLURRY SEAL PROGRAM (CITY COUNCIL)

I. SUMMARY

The plans, specifications and estimates (PS&E) for Project No. 1413: Citywide Annual Rubberized Slurry Seal Program (Exhibit Nos. 1 and 2), have been completed, and the project is now ready for construction.

Staff requests that the City Council approve the PS&E and award a Construction and Material Purchase Contract to Petrochem Materials Innovations, LLC (PMI), to piggy back on a competitively bid contract between the City of Los Angeles and PMI.

II. RECOMMENDATION

TAKE the following actions:

1. APPROVE the plans, specifications and estimates, Location Maps and Location List, and order the work for Project No. 1413: Citywide Annual Rubberized Slurry Seal Program.
2. MAKE the California Environmental Quality Act finding that the proposed Citywide Annual Rubberized Slurry Seal Program is categorically exempt pursuant to Section 15301, 15301(c), and 15301(d) of the California Environmental Quality Act guidelines.
3. AUTHORIZE staff to record the "Notice of Exemption" in the office of the Los Angeles County Clerk for the Citywide Annual Rubberized Slurry Seal Program.
4. WAIVE the formal bid process defined by the Carson Municipal Code, Section 2604, as allowed by Section 2604(d).
5. AUTHORIZE the City of Carson to piggy back on a competitively bid contract between the City of Los Angeles and Petrochem Materials Innovations, LLC.
6. Award a Construction and Materials Purchase Contract to Petrochem Materials

Innovations, LLC, in the amount of \$288,344.00 for the Citywide Annual Rubberized Slurry Seal Program.

7. AUTHORIZE the Mayor to execute the Construction and Materials Purchase Contract following approval as to form by the City Attorney.

III. ALTERNATIVES

1. DO NOT APPROVE the PS&E.
2. TAKE another action the City Council deems appropriate.

IV. BACKGROUND

The citywide annual rubberized slurry seal program is listed in the City's Capital Improvement Program for FY 2016/17.

Project No. 1413 is funded by the Gas Tax fund and the slurry seal in-lieu fee.

In recent years, the City has been utilizing rubberized slurry seal, which has superior benefits over conventional slurry seal. The project is located within two Maintenance Zones of the City that were selected based on the recommendation of the City's Pavement Management System MicroPaver Program, following the staff inspection and site evaluation, and the available budget. In an effort to obtain an economy of scale, staff concentrated on Maintenance Zone No. 1, which has the highest need for this type of surface treatment in order to prevent deterioration of the existing pavement. Also, staff included the parking lot of the Carson Park Pool in Maintenance Zone No. 5, for the same reason of needs for this type of surface treatment.

The majority of the project is bordered by the 91 Freeway, Avalon Boulevard, 169th Street, and Billings Street. The attached Location List identifies the street names and limits of the rubberized slurry seal quantities. The PS&E were prepared by City's Engineering Services Division staff.

Based on California Environmental Quality Act (CEQA) guidelines, the proposed projects are categorically exempt according to the following:

- Section 15301 of CEQA includes the type of existing facilities projects that are categorically exempt. The following sections apply to the Citywide Annual Rubberized Slurry Seal Program:
 - o Section 15301(c): Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety).
 - o Section 15301(d): Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as an earthquake, landslide, or flood.

The City of Los Angeles competitively bid a Slurry, Premix, Rubberized Emulsion

Aggregate Slurry (REAS) annual contract by issuing Bid Event 4672. Bid Event (EV) 4672 was advertised on the City's website and was available to bidders for downloading and submitting a bid response. Bid Event 4672 had an initial date of October 15, 2015, at 1:00 p.m.

The bid resulted in one response, from PMI. Slurry samples were forwarded to the City of Los Angeles' Standards Division for analysis, and it was determined that the submission met the bid specifications. A recap work sheet was prepared, and the finding was that the difference between PMI's previous contract no. 59081, ending in 2015 with the City of Los Angeles, and PMI's new Bid EV 4672, has an overall increase of 4%. Therefore, the bid was awarded to PMI, the only responsible bidder that complied with the specifications.

The following is a comparison analysis between a piggy back contract and a regular construction contract:

- The cost of slurry seal for Project No. 1413 is \$0.363/S.F. and will be completed in 2016. This cost was calculated based on PMI's current piggy back total contract of \$288,344.00 for this project with an area of 793,944 S.F.
- The cost of slurry seal based on the most recent project completed in 2012 by another General Contractor "All American Asphalt" for Project 1303 & 1304 was \$0.510/S.F. This cost was calculated based on All American Asphalt's total contract of \$419,145.20 for a project with an area of 821,310 S.F.

From the information above, it appears that with a piggy back contract, the City would gain an overall savings of approximately \$116,710.00. Please note that the unit price used for cost comparison was from year 2012, and inflation rate was not considered in the calculation. If an inflation rate of 3%/year is factored into the calculation, a higher amount of savings would be achieved.

The City of Los Angeles' new contract with PMI is for Calendar Year 2016, with a one year option for renewal. PMI's responsibility is to provide slurry seal materials and apply them onto the roadway; including street sweeping, removal of existing striping from the roadway before applying the slurry seal, and replacing striping after the slurry seal work is completed. The City is responsible for crack sealing the roadway, providing traffic control during the construction phase, and distributing construction notifications to residents. The cost associated with the material and rental equipment costs (excluding salaries), will be covered by the budgeted project funds.

In accordance with past practice, staff is requesting that the City Council waive the formal bid process defined by the Carson Municipal Code, Section 2604, as allowed by Section 2604(d) (Exhibit No. 3), and award a Construction and Materials Purchase Contract to PMI.

The approximate timeline and the status of this project are as follows:

Approval of PS&E, award of Construction and Materials Purchase Contract	September 20, 2016
Start of construction	September-October 2016
Completion of construction	October 2016

V. FISCAL IMPACT

The estimated construction costs of \$315,000.00 will be covered by the funds available in the amount of \$200,000.00 included in the adopted FY 2016/17 Gas Tax budget and the slurry seal in-lieu fee (Fund 71) in the amount of \$115,000.00.

The project funding sources, account numbers and amounts are as follows:

Fund Source	Estimated Project Cost	Account No.
Gas Tax	\$200,000.00	12-80-999-004-7020/0141301
Slurry seal in-lieu fee (Fund 71)	115,000.00	71-00-999-000-2401/3046503
TOTAL	\$315,000.00	

VI. EXHIBITS

1. Location Map. (pgs. 5-7)
2. Location List. (pgs. 8-9)
3. Carson Municipal Code, Section 2604. (pg. 10)

Prepared by: Rick Boutros, P.E., Associate Civil Engineer