

REDEVELOPMENT AGENCY
BOARD

HARRY S. MAVROGENES
EXECUTIVE DIRECTOR

SEE BELOW

MAY 9, 2006

SUBJECT: AWARD OF CONTRACT FOR THE PAVING OF ALLEYS IN
THE HOFFMAN-VIA MONTE NEIGHBORHOOD

RECOMMENDATION

It is recommended that the Redevelopment Agency Board adopt a resolution awarding a construction contract to Union City Paving in the amount of \$229,300 and authorizing a \$23,000 contingency for a total authorization of \$252,300 for the reconstruction and slurry seal of private alleys in the Hoffman/Via Monte SNI neighborhood area.

BACKGROUND

This project is the second listed priority of the Hoffman/Via Monte Neighborhood Advisory Committee. In 2005, the project was designed and bid, but the staff was unable to obtain necessary rights of entry from the more than 80 property owners to allow the contractor access to the privately-held alleys. The contract was not awarded and the neighborhood and SNI staff worked together diligently since that time and have obtained rights of entry from the property owners in the two neighborhood areas necessary to undertake the project. The rights of entry allow for Agency access to construct the improvements and require the owners to maintain the improvements and keep the alleys free from trash and debris for a period of five years.

The project includes removing failed sections of asphalt paving scattered throughout the alley ways. The project anticipates removing two inches of failed asphalt and replacing it with the same depth so as to not affect any of the existing drainage patterns in the area. No drainage improvements are being made as a portion of this work because the cost to do so is beyond the project budget. In

areas where additional asphalt thickness is necessary to effectuate the repair, but without excavating or cutting into the soil beneath the asphalt, the contractor will be directed to install the extra thickness.

Because it is not clear that there is base rock or other subsurface structural support for the existing asphalt paving, this project will only replace asphalt paving. Once the failed sections have been removed and replaced, the contractor will slurry seal all of the alleys in the two neighborhoods to provide additional protection against water intrusion into the asphalt and the underlying soils. By slurry sealing the project, the useful life of the alleys will be extended. When it is finally necessary, complete reconstruction will require the property owners to excavate to place rock sub-base and drainage systems in their alleys.

ANALYSIS

The specifications and bid documents were prepared by the engineering firm of Bellecci Associates and issued for bid on April 5, 2006. The project was advertised in the Post Record and on the City's Bidline. Bids were opened on Wednesday, April 19, 2006. The low bidder is Union City Paving with a total bid of \$229,300. The Engineer's estimate for this project is \$365,000. Although there is a large spread between the lowest and highest bids, the low bid is consistent with the bids received the last time this project was bid. The engineers and staff had raised their cost estimate anticipating additional areas of failure because of the year's delay and the heavy rains, and to account for rising costs of petroleum. There was not a significant increase in failed areas and in this instance it does not appear the petroleum costs radically affected the contract prices. The higher bids generally seem to reflect the contractors' uncertainty factor in having to deal with notifying the property owners of the schedule so as to be certain all of the vehicles are moved from the alleys. This coordination effort could be significant; therefore most contractors were adding money to account for the vagaries of multiple owners. Bids were received from the following contractors:

<u>Contractor</u>	<u>Bid</u>
Union City	\$229,300
El Camino Paving	\$409,500
Galedridge Paving	\$263,030
O'Grady Paving	\$395,700
Archibald Paving	\$648,000

A ten percent contingency is requested and recommended to address unforeseen conditions.

COORDINATION

This report has been coordinated with the Agency's General Counsel.

FISCAL IMPACT

Funding is available in the Adopted FY 2005-06 Capital Improvement Program, Strong Neighborhoods Initiative, Hoffman/Via Monte Neighborhood.

CEQA

Exempt; File No. PP05-004.

HARRY S. MAVROGENES
Executive Director