

RESOLUTION NO. 2015-118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AWARDING THE 2015 ROADWAY TRANSPORTATION ENHANCEMENT PROJECT TO GRANITE CONSTRUCTION COMPANY OF WATSONVILLE, CALIFORNIA, AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE CONTRACT DOCUMENTS AND ALL CHANGE ORDERS ON BEHALF OF CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, at the regular meeting of December 18, 2012, the City Council adopted Resolution No. 2012-196, approving an update to the five (5) year City Capital Improvement Program (CIP). Included in the approved CIP project list was the Reservation Road – Seacrest to De Forest project and the Imjin Pkwy – 3rd Ave to Imjin Rd project, and;

WHEREAS, at the regular meeting of October 1, 2013, the City Council adopted Resolution No. 2013-140, receiving an informational presentation of the City's Pavement Management Program. The Program Presentation included a list of critical arterial, collector and residential streets that require rehabilitation due to their low pavement condition index (PCI) score, and;

WHEREAS, at the regular meeting of February 26, 2014, the Transportation Agency for Monterey County (TAMC) adopted the Regional Surface Transportation Program 2014 (RSTP) Guidelines and Policies, along with allocation of RSTP funds to the City of Marina, including \$261,697 for this transportation project, and;

WHEREAS, at the regular meeting of May 19, 2015, the City Council adopted Resolution No. 2015-56, approving advertising and call for bids for the 2015 Roadway Resurfacing Project, and;

WHEREAS, at its June 24, 2015 meeting, the TAMC Board of Directors approved RSTP Funding for the City's bicycle lane project on Imjin Parkway in the amount of \$411,000, and;

WHEREAS, at the regular meeting of July 12, 2015, the City Council adopted Resolution No. 2015-84, approving advertising and call for bids for the 2015 Imjin Parkway Transportation Enhancement Improvement Project. The staff report introduced the added class 2 bike lanes to the Imjin Pkwy roadway transportation enhancement, and;

WHEREAS, in the project bid item list, an alternative item was added to use Rubberized Hot Mix Asphalt (RHMA) instead of regular Asphalt Concrete (HMA). On August 7, 2013, the City entered into a grant agreement with the California Department of Resources Recycling and Recovery (CalRecycle) to utilize \$138,000 of reimbursable grant funds towards using Rubberized HMA in City paving projects. Using rubberized asphalt provides a more flexible sealing of the pavement structure, reduces noise and provides a smoother driving surface. The grant will reimburse the cost difference between using RHMA instead of regular Asphalt Concrete up to \$138,000, and;

WHEREAS, on September 10, 2015, three (3) sealed bids were received, opened and publicly read for the 2015 Roadway Transportation Enhancement Project, and;

WHEREAS, the lowest bidder was Granite Construction Company with a grand total bid in the amount of \$1,796,569.50. This bid was reviewed and found to be responsive, and staff has not identified issues concerning Granite Construction Company's responsibility to perform the work of the contract, and;

WHEREAS, the cost estimate for City staff construction inspection, material testing, construction design support, administration and project closeout for HMA application is \$155,000. However, costs for RHMA amounts to \$260,000 due to added testing and inspection required by current testing standards and CalRecycle., and;

WHEREAS, the total cost difference between using RHMA and HMA is \$388,680.00. The current project fund balance is approximately \$1,217,093.50. If the RHMA is to be considered, there would be an estimated project fund deficit of \$342,156.00 that would be required from Public Facility Impact Fees. The fund deficit also exceeds the CalRecycle grant funds available to the City for RHMA. Opting to use HMA would allow the City to use any remaining project budget to expand the project limits to include adjacent streets and therefore have a larger resurfacing application, benefiting the City's pavement management program. Therefore, staff recommends utilizing HMA as the preferred construction application due to the benefits of expanding the project scope and the disadvantage of additional costs from RHMA construction, and;

WHEREAS, consistent with TAMC's RSTP procedures, the regional funds will be reimbursed to the City after project completion and City funds will need to be advanced prior to reimbursement. As the TAMC RSTP funds will be 100% reimbursed, staff is proposing the use of Public Facilities Impact Fees (PFIF) to advance the payment of project costs. This project timeline is approximately 25 days, and PFIF will be restored by the RSTP funds. It is currently estimated that the project will be completed in Fiscal Year 15/16. Administering reimbursement with the grantor will be done expeditiously to reimburse the City's funds, and;

WHEREAS, should the City Council approve this request, the City Finance Director will make all necessary accounting and budgetary entries to facilitate an interfund loan from the City Public Facility Impact Fees (Roadway) to the Imjin Parkway CIP Account No. 62.309 for advancement of RSTP funds before grant reimbursement.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Awarding the 2015 Roadway Transportation Enhancement Project to Granite Construction Company, Inc. of Watsonville, California;
2. Authorize Finance Director to make necessary accounting and budgetary entries, and;
3. Authorize City Manager to execute contract documents and all change orders on behalf of City subject to final review and approval by the City Attorney.

PASSED AND ADOPTED, at a regular meeting of the City Council of the City of Marina, duly held on the 6th day of October 2015, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Brown, Morton, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: O'Connell

ABSTAIN: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, City Clerk

CITY OF MARINA
2015 ROADWAY TRAFFIC ENHANCEMENT PROJECT

THIS AGREEMENT, made and entered into this ___ day 2015, by and between The City of Marina, a municipal corporation of the State of California, hereinafter called "City of Marina" or "City" and Granite Construction Company or "Contractor,"

WITNESSETH:

2015 ROADWAY TRAFFIC ENHANCEMENT PROJECT

FIRST: Contractor hereby covenants and agrees to furnish and provide all labor, materials, tools, appliances, equipment, plant and transportation, and all other things required or necessary to be furnished, provided or done, and build, erect, construct and complete the work at the time and in the manner provided, and in strict accordance with the plans and specifications therefore, for **PROJECT** adopted by the Council of the City of Marina on July 14, 2015.

SECOND: It is expressly understood and agreed that this contract consists of the following documents, all of which are incorporated into this agreement and made a part hereof as fully and completely as if set forth herein verbatim, to wit:

- a. Accepted Proposal;
- b. Proposal Guaranty Bond;
- c. Contract Agreement;
- d. Performance Bond;
- e. Bond for Labor and Material;
- f. Proposal Supplement Including an Experience Statement and List of Proposed Subcontractors;
- g. These Specifications;
- h. The California State Standard Specifications and Standard Details 2006; and
- i. Insurance.

THIRD: That said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and for doing all the work embraced and contemplated in this Agreement and as set forth in the Proposal adopted by the City of Marina, a true copy thereof hereto attached, also, for all loss or damage arising out of the nature of said work, or from the action of the elements or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until the acceptance thereof by the City of Marina and for all risk connected with the work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the said Plans and Specifications and the provisions of this Agreement, and the requirements of the Engineer under them, to wit: The prices as set forth in the Proposal of said Contractor for the work to be constructed and completed under this Agreement, which prices shall be considered as though repeated herein.

**One Million Seven Hundred Ninety Five Thousand
Nine Hundred Sixty Nine Dollars and Fifty Cents**
(\$ 1,795,969.50)

The undersigned Contractor further agrees to so plan the work and to prosecute it with such diligence that said work, and all of it, shall be completed on or before the expiration of the time specified in the Special Provisions after execution of the contract on behalf of the City of Marina and the receipt from the City of Marina of a notice to proceed with the work.

FOURTH: The City of Marina hereby promises and agrees with said Contractor to employ, and does hereby employ, said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the price aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth in the Specifications; and the said parties, for themselves, their heirs, executors, administrators, successors and assigns, do hereby agree to the full performance of the covenants herein contained.

FIFTH: No interest in this agreement shall be transferred by the Contractor to any other party, and any such transfer shall cause the annulment of this contract, so far as the City of Marina is concerned. All rights of action, however, for any breach of this contract are reserved to City.

SIXTH: Contractor shall keep harmless and indemnify the City of Marina, its officers and employees and agents, from all loss, damage, cost or expense that arises or is set up for infringement of patent rights of anyone for use by the City of Marina, its officers, employees or agents, of articles supplied by the Contractor under this contract, of which he is not entitled to use or sell. Contractor agrees to, at his own cost and expense, defend in court the City, its officers, agents and employees, in any action which may be commenced or maintained against them or any of them, on account of any claimed infringement of patent rights, arising out of this agreement.

SEVENTH: The Contractor agrees to immediately repair and replace all defective material and workmanship discovered within one year after acceptance of final payment by Contractor and to indemnify said City of Marina against all loss and damage occasioned by any such defect, discovered within said year, even though the damage or loss may not be ascertained until after the expiration thereof. Provided, however, that if such failure of the Contractor to perform should not, by reasonable diligence, be discoverable or discovered within said one year, then the obligation of the Contractor to repair and replace said defective material or workmanship shall continue until one year after the actual discovery thereof.

EIGHTH: The Contractor agrees at all times during the progress of the work to carry with insurance carriers approved by the City of Marina full coverage workmen's compensation and public liability insurance in the form and to the extent called for in Section 7-1.12 of the Standard Specifications, State of California, 2006 Edition. Such insurance policy shall contain an endorsement that the same shall not be canceled nor the amount of coverage be reduced until at least 30 days after receipt by the City of Marina by certified or registered mail of a written notice of such cancellation or reduction in coverage.

NINTH: Contractor agrees to comply with all applicable federal, state and municipal laws and regulations, including but not limited to California Labor Code Division 2, Part 7, Chapter 1 regarding Public Works and Public Agencies.

TENTH:
ATTORNEY'S FEES. In the event of any controversy, claim or dispute relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

ELEVENTH:
COMPLIANCE WITH PROVISIONS OF LAW.

1. The City is subject to laws relating to public agencies which are part of this contract as though fully set forth herein.
2. Contractor shall comply with City of Marina Municipal Code Chapter 13.02 Local Hiring for Public Works.
3. Contractor shall comply with laws relating to the work.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands the year and date first above written.

CONTRACTOR

CITY OF MARINA

By: _____

By: _____

Layne P. Long, City Manager

Print Name: _____

Date: _____

Address: _____

Date: _____

APPROVED AS TO FORM:

By: _____

By: _____

Robert Wellington, City Attorney

Date: _____

Date: _____

ATTESTED:

Anita Sharp, Deputy City Clerk

Date: _____

Resolution No. 2015-56, 2015-84, 2015-118

September 29, 2015

Item No. **8d(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting of
October 6, 2015

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2015- : (1) AWARDING THE 2015 ROADWAY TRANSPORTATION ENHANCEMENT PROJECT TO GRANITE CONSTRUCTION COMPANY OF WATSONVILLE, CALIFORNIA; (2) AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES; AND (3) AUTHORIZING CITY MANAGER TO EXECUTE CONTRACT DOCUMENTS AND ALL CHANGE ORDERS ON BEHALF OF CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

RECOMMENDATION:

It is requested that the City Council consider:

1. Adopting Resolution No. 2015-, awarding the 2015 Roadway Transportation Enhancement Project to Granite Construction Company of Watsonville, California;
2. Authorizing Finance Director to make necessary accounting and budgetary entries, and;
3. Authorizing City Manager to execute contract documents and all change orders on behalf of City subject to final review and approval by the City Attorney.

BACKGROUND:

At the regular meeting of December 18, 2012, the City Council adopted Resolution No. 2012-196, approving an update to the five (5) year City Capital Improvement Program (CIP). Included in the approved CIP project list was the Reservation Road – Seacrest to De Forest project and the Imjin Pkwy – 3rd Ave to Imjin Rd project.

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In the project bid item list, an alternative item was added to use Rubberized Hot Mix Asphalt (RHMA) instead of regular Asphalt Concrete (HMA). On August 7, 2013, the City entered into a grant agreement with the California Department of Resources Recycling and Recovery (CalRecycle) to utilize \$138,000 of reimbursable grant funds towards using Rubberized HMA in City paving projects. Using rubberized asphalt provides a more flexible sealing of the pavement structure, reduces noise and provides a smoother driving surface. The grant will reimburse the cost difference between using RHMA instead of regular Asphalt Concrete up to \$138,000.

ANALYSIS:

On September 10, 2015, sealed bids were received, opened and publicly read for the 2015 Roadway Transportation Enhancement Project.

Three (3) bids were received as follows (amounts include HMA and RHMA):

- Granite Construction Company \$1,796,569.50 (Lowest Bid)
- Granite Rock \$1,912,226.05
- Monterey Peninsula Engineers \$2,442,733.00

The lowest bidder was Granite Construction Company with a grand total bid in the amount of \$1,796,569.50. This bid was reviewed and found to be responsive, and staff has not identified issues concerning Granite Construction Company's responsibility to perform the work of the contract.

The cost estimate for City staff construction inspection, material testing, construction design support, administration and project closeout for HMA application is \$155,000. However, costs for RHMA amounts to \$260,000 due to added testing and inspection of the RHMA material required by current testing standards and CalRecycle.

Below is a summary of project costs per construction option:

Project Costs, with RHMA	
Construction	\$ 1,299,249.50
Inspection, material testing, design support, project management & closeout	<u>\$ 260,000.00</u>
	\$ 1,559,249.50

Project Costs, with HMA	
Construction	\$ 1,015,569.50
Inspection, material testing, design support, project management & closeout	<u>\$ 155,000.00</u>

\$ 1,170,569.50

The total cost difference between using RHMA and HMA is \$388,680.00. The current project fund balance is approximately \$1,217,093.50. If the RHMA is to be considered, there would be an estimated project fund deficit of \$342,156.00 that would be required from Public Facility Impact Fees. The fund deficit also exceeds the CalRecycle grant funds available to the City for RHMA. Opting to use HMA would allow the City to use any remaining project budget to expand the project limits to include adjacent streets and therefore have a larger resurfacing application, benefiting the City's pavement management program. Therefore, staff recommends utilizing HMA as the preferred construction application due to the benefits of expanding the project scope and the disadvantage of additional costs from RHMA construction.

FISCAL IMPACT:

Consistent with TAMC's RSTP procedures, the regional funds will be reimbursed to the City after project completion and City funds will need to be advanced prior to reimbursement. As the TAMC RSTP funds will be 100% reimbursed, staff is proposing the use of Public Facilities Impact Fees (PFIF) to advance the payment of project costs. This project timeline is approximately 25 days, and PFIF will be restored by the RSTP funds. It is currently estimated that the project will be completed in Fiscal Year 15/16. Administering reimbursement with the grantor will be done expeditiously to reimburse the City's funds.

Should the City Council approve this request, the City Finance Director will make all necessary accounting and budgetary entries to facilitate an interfund loan from the City Public Facility Impact Fees (Roadway) to the Imjin Parkway CIP Account No. 62.309 for advancement of RSTP funds before grant reimbursement.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Edrie Delos Santos, P.E.
Senior Engineer, Engineering Division
Community Development Department
City of Marina

REVIEWED/CONCUR:

Nourdin Khayata, P.E.
Acting City Engineer
City of Marina

Theresa Szymanis, AICP CTP
Acting Director
Community Development Department
City of Marina

Layne P. Long
City Manager
City of Marina