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**Title:** Actions pertaining to Permanent Asphalt Concrete Pavement Repairs - Bid File No. 9425 (City-wide)  
 1. Adopt a finding of Class 1, Class 2, Class 3 and Class 4, Categorical Exemption, pursuant to sections 15301, 15302, 15303 and 15304, of the CEQA guidelines, for Permanent Asphalt Concrete Pavement Repairs  
 2. Award a contract to West Valley Construction, Inc., in the amount of \$601,486 for Permanent Asphalt Concrete Pavement Repairs and authorize the Public Works Director or designee to sign the contract on behalf of the City  
 3. Authorize the Public Works Director, or designee, to sign the agreement on behalf of the City

**Sponsors:** Department of Public Utilities

**Indexes:**

**Code sections:**

**Attachments:** 1. Categorical exemption EA-17-035 (Attachment 1).pdf, 2. 9425 Bid Eval Fiscal Impact (Attachment 2).pdf, 3. Requirements Contracts (Attachment 3).pdf

Date	Ver.	Action By	Action	Result
1/25/2018	1	City Council	approved	Pass

**REPORT TO THE CITY COUNCIL**

**January 25, 2018**

**FROM:** THOMAS C. ESQUEDA, Director  
Department of Public Utilities

**THROUGH:** MICHAEL CARBAJAL, Planning Manager  
Department of Public Utilities - Utilities Planning & Engineering

**BY:** ROBERT A. DIAZ, Senior Engineering Technician  
Department of Public Utilities - Utilities Planning & Engineering

**SUBJECT**

Actions pertaining to Permanent Asphalt Concrete Pavement Repairs - Bid File No. 9425 (City-wide)

1. Adopt a finding of Class 1, Class 2, Class 3 and Class 4, Categorical Exemption, pursuant to sections 15301, 15302, 15303 and 15304, of the CEQA guidelines, for Permanent Asphalt Concrete Pavement Repairs
2. Award a contract to West Valley Construction, Inc., in the amount of \$601,486 for Permanent Asphalt Concrete Pavement Repairs and authorize the Public Works Director or designee to sign the contract on behalf of the City

3. Authorize the Public Works Director, or designee, to sign the agreement on behalf of the City

## **RECOMMENDATIONS**

Adopt a finding of Class 1, Class 2, Class 3 and Class 4, Categorical Exemptions, pursuant to sections 15301, 15302, 15303 and 15304, of the CEQA guidelines; award a contract to West Valley Construction, Inc., in the amount of \$601,486 for Permanent Asphalt Concrete Pavement Repairs; and authorize the Public Works Director or designee to sign the contract on behalf of the City.

## **EXECUTIVE SUMMARY**

The Department of Public Utilities, Water Division, seeks to establish a six-month requirements contract with provisions for five six-month extensions for permanent asphalt concrete pavement repairs. The scope of work includes permanent paving repairs associated with the Water Division's operation and maintenance of the water system. Staff recommends that Council award a contract to West Valley Construction, Inc., the lowest responsive and responsible bidder in the amount of \$601,486. Funding for this contract is included in the Fiscal Year 2018 (FY18) budget. This project spans multiple fiscal years. Purchases made in FY18 will be at contract prices and future purchases will be included in the FY19 budget.

## **BACKGROUND**

The Department of Public Utilities, Water Division, routinely cuts and removes existing street paving to gain access to the water system for repairs, maintenance, and capital improvements. These pavement cuts require a permanent pavement repair. Due to the ongoing nature of this work, the Water Division established a requirements contract in 2016 to obtain firm pricing, secured through competitive bidding, for a six-month requirements contract with provisions for five six-month extensions, that allowed the Water Division to order the repairs on an as needed basis. That requirements contract expired on December 14, 2017 and the Water Division has competitively rebid the contract to establish new pricing for six-months with provisions for five six-month extensions.

On November 3, 2017, an advertisement was published inviting bids for a Requirements Contract for Permanent Asphalt Concrete Pavement Repairs. Ten building exchanges received a fax notice inviting bids and nine specs were distributed to prospective bidders. On November 28, 2017, five bids were received and a public bid opening was held. West Valley Construction, Inc., was determined to be the lowest responsive and responsible bidder in the amount of \$601,486. The other four bids ranged from \$607,020 to \$965,685. The bids received will expire 64 days after bid opening, which will be on January 31, 2018.

## **ENVIRONMENTAL FINDINGS**

Staff has performed a preliminary environmental assessment of this project and determined that it falls within Class 1, Class 2, Class 3 and Class 4, Categorical Exemptions set forth in CEQA Guidelines, sections 15301, 15302, 15303 and 15304, as this contract is for repair of existing street pavement associated with the operation and maintenance of the water system. The project will not result in the expansion of capacity of existing uses. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, section 15300.2 apply to this project.

## **LOCAL PREFERENCE**

Local Preference was not implemented because the low bidder qualifies as a local business pursuant to the Fresno Municipal Code Section 4-108(d).

## **FISCAL IMPACT**

Award of this contract will not impact the General Fund. Funding for this contract, which will benefit all Council Districts, is included in the FY18 budget within the Water Enterprise Fund (40101) and was included in the water rate model used to create the five-year utility rate plan that was adopted by the City Council on February 26, 2015. This project spans fiscal years. Purchases made in FY18 will be at contract prices and future purchases will be included in the FY19 budget.

### Attachments:

- Categorical Exemption EA 17-035 (Attachment 1)
- Bid Evaluation & Fiscal Impact Statement (Attachment 2)
- Requirements Contract (Attachment 3)