



Legislation Text

File #: 22-0014, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Erick Lee, Public Works Director

Katherine Doherty, City Engineer

Bianca Cardenas, Senior Engineering Technician

SUBJECT:

Consideration of the Following Regarding Slurry Seal Project:

- a) Adopting a Resolution Awarding a Construction Agreement to All American Asphalt, for the Slurry Seal Project Encompassing the Central Area of the Sand Section (Area 7) (Project) for \$673,275; Approving the Final Plans and Specifications for the Project; and Authorizing the City Manager to Approve Additional Work, if Necessary, for up to \$134,655;
- b) Adopting a Resolution Awarding an Inspection Services Agreement to Quantum Quality Consulting, Inc. for \$50,830; and
- c) Appropriating an Additional \$75,470 from the Unreserved Pier Fund Balance for the Project (Public Works Director Lee).

A) ADOPT RESOLUTION NOS. 22-0005 AND 22-0006

B) APPROPRIATE FUNDS

RECOMMENDATION:

Staff recommends that City Council take the follow actions:

- a) Adopt Resolution No. 22-0005:
 - 1. Awarding a construction agreement to All American Asphalt for the Slurry Seal Project encompassing the central area of the Sand Section (Area 7) (Project) for \$673,275 and authorizing the City Manager to execute the agreement;
 - 2. Approving the Final Plans and Specifications for the Project; and
 - 3. Authorizing the City Manager to approve additional work, if necessary, for up to \$134,655.
- b) Adopt Resolution No. 22-0006:
 - 1. Awarding an Inspection Services Agreement to Quantum Quality Consulting, Inc. for the Project for \$50,830; and
 - 2. Authorizing the City Manager to execute the agreement; and
- c) Appropriate an additional \$75,470 from the unreserved Pier Fund balance for the Project.

FISCAL IMPLICATIONS:

A total of \$970,000 was allocated to this project in the Fiscal Year (FY) 2021-2022 approved Capital

Improvement Program (CIP) budget in the Streets & Highway Fund. Subsequent to the adoption of the CIP budget, the area identified for slurry seal was increased to include the Lower Pier Parking Lot. To accommodate this increase in area, an appropriation of \$75,470 is required. Sufficient funds to cover the additional construction, construction contingency, and inspection for the Lower Pier Parking Lot are available in the unreserved Pier Fund balance.

Should City Council award construction to All American Asphalt, the City Manager will contract for base bid and all additive items of the project totaling \$673,275 (\$618,050 from the Streets & Highway Fund and \$55,225 from the Pier Fund) along with a construction contingency of \$134,655 (\$123,610 from the Streets & Highway Fund and \$11,045 from the Pier Fund) for a total not to exceed \$807,930. Additionally, should City Council award an inspection services contract to Quantum Quality Consulting, Inc., \$50,830 (\$41,630 from the Streets & Highway Fund and \$9,200 from the Pier Fund) would need to be encumbered from the project budget. The total expected expenditures for this project are \$858,760 (\$783,290 from the Streets & Highways Fund and \$75,470 from the Pier Fund).

Areas under the outdoor dining decks were initially included in the project's scope of work, but cannot be slurry sealed until after the removal of decks has occurred. Due to the City Council's extension of outdoor dining, which occurred after bids were received, the contractor will need to take additional precautions to perform all work abutting the outdoor dining decks. Approximately \$100,000 of the contract contingency will need to be utilized for a change order to account for these dining deck associated expenditures that were not included in the Request for Bids. The recommended contract award and contingency amounts, which total \$807,930, are sufficient to cover these increase costs.

If the City is able to include the outdoor dining deck areas as part of a future slurry seal project, staff anticipates that, due to economies of scale, future costs will be approximately \$30,000. However, should the dining deck areas be handled separately, additional costs related to mobilization would be expected.

Lastly, should the City Council decide to not adopt the recommended resolutions or appropriate the funds, thereby rejecting all bids for this project, there would be no fiscal impact associated with this item.

BACKGROUND:

The City of Manhattan Beach (City) is responsible for the repair and maintenance of approximately 100 centerline miles of streets, collectively one of the City's most valuable assets. On a biennial rotating basis, the City implements a slurry seal program in seven zones throughout the City. This year, the City was focusing its slurry seal efforts on the Sand Section (Area 7) and a small portion of the Tree Section (Area 6). On December 7, 2021, City Council approved the rejection of all bids received on November 4, 2021 for the Slurry Seal Project encompassing the Sand Section (Area 7) and a portion of the Tree Section (Area 6), and ratified staff's action to re-bid the slurry seal work for the central portion of the Sand Section. This portion of the Sand Section exhibited worsening conditions during an assessment completed as part of a Pavement Management Report prepared for the City in 2021.

City staff rebid the project with a focus on the central portion of the Sand Section (Area 7), including the Downtown business area, to meet budget and schedule needs. The Lower Pier Parking Lots, located near the Manhattan Beach Pier, are also included in the project location map (Attachment) as they are owned by the State of California, but maintained by the City.

This project's heavily traveled areas and the Lower Pier Parking Lots are adjacent to residences, shops, restaurants, offices and the pier. Current roadway surfaces display distresses that require crack seal and slurry seal applications to extend pavement life, improve safety, and reduce life cycle costs. The 2021 Pavement Management Report describes the importance of pavement preservation and reiterates the fact that it costs much less to maintain streets in good condition than to repair streets that have failed. It is worth noting that some streets in the central portion of the Sand Section will not receive slurry seal as part of this project because they were included in the previous cycle or are anticipated to be resurfaced in the future as part of another project.

The main scope of work items for the Project include:

- Dig outs and patchwork for replacement/repair of asphalt potholes, depressions, and distressed areas;
- Removal of lane striping, markers, markings;
- Crack seal to fill cracks prior to slurry seal placement;
- Slurry seal application, curing, monitoring; and
- Striping placement

Slurry Seal is a mixture of fine aggregates and emulsified asphalt. The slurry seal is applied in liquid form and dries in approximately four hours depending on temperature and humidity. This coating increases pavement life by mitigating water intrusion and improving skid resistance. Crews will first remove striping and perform dig outs, patchwork, and crack seal prior to application of the slurry seal. This preliminary work should last no more than one day for each street segment treated, thus minimizing inconvenience to residents and businesses. Once the asphalt surface is prepared by these fixes, the slurry seal application, curing, monitoring and striping will follow. The final end product results in refreshed pavements with new striping.

DISCUSSION:

Construction Work

The project was re-advertised for bids in the City's publisher of record (The Beach Reporter), the City's website, as well as PlanetBids (online service that connects vendors, suppliers, and contractors to government procurement opportunities).

A total of three (3) competitive bids were received and opened on December 9, 2021. The bid results are as follows:

<u>Contractor</u>	<u>Calculated Total Bid Amount</u>
All American Asphalt	\$673,275.00
American Asphalt South, Inc.	\$721,380.00
Roy Allan Slurry Seal, Inc.	\$740,456.00

All base bid and additive bid item submissions were analyzed for arithmetical errors, completeness, accuracy, etc. Staff reviewed the bid and contractor's license for the apparent lowest bidder, All American Asphalt, and found them to be in order. Additionally, references indicate All American Asphalt has the knowledge and capability to complete the work in accordance with the plans and

specifications.

Staff recommends that the City Manager be authorized to approve up to \$134,655.00 (20% of the construction contract cost) for additional work resulting from unforeseen conditions. This 20% contingency amount may only be utilized if additional repairs are determined to be necessary. The staff's goal is to maximize the amount of slurry seal work that can be accomplished with the total budget available this year, and the robust methodology used to identify the repair limits of dig outs and patched areas has the potential to increase the repair effort.

Work is anticipated to begin in early February 2022 and is expected to be completed in May 2022, to avoid affecting residents, visitors, and businesses throughout the summer months.

All travel lanes on Manhattan Beach Boulevard, Highland Avenue, and 15th Street (Highland Avenue to Ardmore Avenue) shall be open between 5:00 a.m. and 8:30 a.m. and between 3:30 p.m. and 9:00 p.m. One travel lane in each direction shall be open at all times between 8:30 a.m. and 3:30 p.m. unless otherwise indicated on the plans or approved by the City Engineer. With the approval of the Traffic Engineer, flaggers may be used if one lane in each direction cannot be kept open. All traffic lanes shall be open before and after work hours.

Inspection Services

The City issued a Request for Proposals on October 14, 2021 seeking full-time construction inspection services for the Project. The scope of work includes:

- Ensuring the contractor complies with the plans, specifications and applicable standards;
- Performing field project oversight;
- Documenting the daily work performed by the contractor;
- Verifying the completed work; monitoring, providing supporting documentation and inspecting any additional work performed; and
- Preparing a list of items for correction.

Two proposals were received by the October 28, 2021 deadline. These proposals were evaluated by an evaluation committee of City staff according to the following selection criteria:

- Demonstrated understanding of the Scope of Services requested;
- Firm qualifications and experience performing similar work;
- Project/Construction management methods and quality control;
- Qualifications and experience of key personnel; and
- Consultant's familiarity with local (sensitivity) conditions.

Based on the selection criteria, Quantum Quality Consulting, Inc. provided a responsive proposal. The assigned staff has excellent experience on similar projects (including inspection of Manhattan Beach's previous Slurry Seal Project for Areas 4, 5 & 6), identified and understands the key project issues, and proposed an appropriate level of staffing for the size and complexity of the project. Quantum's methodology for executing the scope of work was clear and organized.

Due to the rebid for construction in the central area of the Sand Section, Quantum revised their

proposal on December 8, 2021, and the cost for providing inspection services for base bid and all additive items of the Project is \$50,830.00. Therefore, staff recommends that City Council consider award of Construction Inspection Services agreement to Quantum Quality Consulting, Inc. for the Project.

Construction Impacts Due to Extension of Outdoor Dining

On August 24, 2021, the City Council extended the expiration date for temporary encroachment permits related to outdoor dining to January 3, 2022. As such, the slurry seal bid documents detailed work based on the removal of the outdoor dining decks by January 3, 2022. On December 21, 2021, the City Council extended the outdoor dining program through the duration of the State Emergency Order related to the COVID-19 pandemic.

Staff discussed the changed condition with the apparent low bidder and determined that a change order in the amount of approximately \$100,000 is deemed necessary for the contractor to work around the outdoor dining decks. This amount can be absorbed in the proposed 20% contingency (\$134,655) included in the award of the construction contract. Construction work associated with this project will include repairs, removal of striping paint, and crack sealing prior to slurry seal application, followed by new striping. The slurry seal application will stop approximately 12" away from the outdoor dining deck boundaries to protect their façades. Since the slurry seal asphaltic application will have a lingering odor for approximately two days, it's possible that this would cause restaurants with dining decks to decide to suspend their outdoor service until the odor has subsided. Once the contractor develops the schedule for construction, staff will work with the Downtown Manhattan Beach Business + Professional Association (DBPA) and local businesses to ensure affected restaurants are aware of the dates they can anticipate to be impacted.

Since the areas under the dining decks will not be slurry sealed, they will have to be addressed after the conclusion of the State Emergency Order related to the COVID-19 pandemic and after temporary encroachment permits related to outdoor dining ultimately expire. Rather than bidding this limited work as a stand-alone project, staff would seek to include it as part of a larger slurry seal project that covers the northern and southern ends of the Sand Section (Area 7). By taking this approach to achieve economies of scale, staff anticipates that the costs to address the areas under the dining decks will be approximately \$30,000. The need to complete this work will be considered as part of the planning process for the FY 22-23 Capital Improvement Program budget.

Option to Reject All Bids and Forgo Proposed Project Until a Future Year

Although staff believes construction impacts of this project on the outdoor dining program could be minimal, the City Council may consider rejecting all bids received on December 9, 2021. By rejecting these bids, City Council may direct staff to slurry seal the entire Sand Section in early 2023 (as was originally planned for the current fiscal year, and assuming the State Emergency Order related to the COVID-19 pandemic has been rescinded) or direct staff to focus the City's slurry seal program on a different area of the City in 2022.

The next scheduled slurry seal area is Area 1 which encompasses the boundary streets of Valley Drive, Sepulveda Boulevard, Manhattan Beach Boulevard, and the south city limits. It would take staff approximately six months to prepare bid documents, bid, and award a project to slurry seal Area 1. The construction work would take another four to five months to complete.

PUBLIC OUTREACH:

Preliminary discussion and planning will remain ongoing with the DBPA and the Chamber of Commerce regarding project details. The businesses and residents impacted by this project will be provided advance information regarding the project, including dates and times of construction. Contact information will also be provided for residents who require additional information. Notices will be sent to residences adjacent to the work once the project timeline has been confirmed and work is ready to commence.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the project qualifies for a Categorical Exemption pursuant to Section 15301 Class 1 (repair and maintenance of existing public facilities, involving negligible or no expansion of use) of the State CEQA Guidelines. A Notice of Exemption was filed with the Los Angeles County Clerk's Office for the Project.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Resolution No. 22-0005
2. Agreement - All American Asphalt
3. Bid Proposal - All American Asphalt
4. Resolution No. 22-0006
5. Agreement - Quantum Quality Consulting, Inc.
6. Plans and Specifications (Web-Link Provided)
7. Budget Expenditure Summary Report
8. Location Map