

Agenda Item-No Attachments (PDF)

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# **REPORT TO COUNCIL**

# **SUBJECT**

Award of Bid No. PW16-18 for Slurry Seal 2016 and Finding of CEQA Categorical Exemption

# REPORT IN BRIEF

Approval is requested to award a construction contract in the amount of \$467,042 to Intermountain Slurry Seal, Inc. of Reno, NV (a subsidiary of Granite Construction Inc.) for Slurry Seal - 2016 (Public Works Project No. ST-15-12). Approval is also requested for a 10% construction contingency in the amount of \$46,704.

## EXISTING POLICY

Section 1309 of the City Charter requires construction contracts to be awarded to the lowest responsive and responsible bidder.

#### ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) determination for this project is a categorical exception pursuant to CEQA Guidelines Section 15301 (Class 1, Existing Facilities) as it relates to the rehabilitation of existing streets involving negligible or no expansion of the existing use.

#### BACKGROUND AND DISCUSSION

The annual slurry seal of City streets provides for maintenance of a portion of the City's streets each year. Slurry seal is the application of a mixture of oil, water, sand and selected additives to the surface of a street, which when allowed to dry/cure, provides a thin wearing surface and seals the underlying surface materials to assist in blocking the access of water into the subgrade. Slurry seal is a maintenance treatment that is easy to apply and economical, providing a cost effective method to extend the life of a road surface.

An annual pavement condition survey is used by Pavement Operations staff to determine which streets will benefit most from slurry sealing. The scope of this year's project is to slurry seal approximately 3.1 million square feet, which dependent on street width, will cover approximately fifteen miles of City streets. Site locations are shown in Attachment 3.

The project was advertised for competitive bidding in the Sunnyvale Sun on December 4, 2015, distributed to eighteen Bay Area Builder's Exchanges, and published on the City's website through the Demandstar public procurement network. Eleven contractors requested bid documents. Sealed bids were opened on December 23, 2015, with seven responsive bids being received. The lowest responsive and responsible bid was submitted by Intermountain Slurry Seal Inc. of Reno, NV, in the amount of \$467,042. The bid summary is contained in Attachment 1.

# FISCAL IMPACT

Project costs consist of the construction contract in the amount of \$467,042, and a 10% construction contingency in the amount of \$46,704, for a total of \$513,746. Budgeted funds are available in capital projects 828030 (Annual Slurry Seal of City Streets) and 825290 (Pavement Rehabilitation).

#### Funding Source

Funding for these projects comes from a variety of sources including the General Fund, Gas Tax Fund, and the SB83 VRF Road Improvement Fund.

## PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

## RECOMMENDATION

1) Make a finding of CEQA categorical exemption pursuant to CEQA Guidelines Section 15301 (Class 1, Existing Facilities) as it relates to the rehabilitation of existing streets involving negligible or no expansion of the existing use, 2) Award a construction contract, in substantially the same format as Attachment 2 and in the amount of \$467,042, to Intermountain Slurry Seal, Inc. for the subject project, and authorize the City Manager to execute the contract when all the necessary conditions have been met; and 3) Approve a 10% construction contingency in the amount of \$46,704.

Prepared by: Pete Gonda, Purchasing Officer Reviewed by: Timothy J. Kirby, Acting Director of Finance Reviewed by: Manuel Pineda, Director, Public Works Reviewed by: Walter C. Rossmann, Assistant City Manager Approved by: Deanna J. Santana, City Manager

# **ATTACHMENTS**

- 1. Bid Summary
- 2. Draft General Construction Contract
- 3. Site Locations