



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: NOVEMBER 7, 2017
DEPARTMENT: PUBLIC WORKS
FROM: DON REYNOLDS, ASSISTANT PUBLIC WORKS DIRECTOR
BY: PHAVANA ARAMKUL, JUNIOR ENGINEER
TITLE: FIRST REVISED AND RESTATED AGREEMENT FOR JOC FOR MISC. STREET MAINTENANCE WORK CONTRACT No. 2015-JOB01-CLASS A

RECOMMENDED MOTION:

A motion to approve a resolution to approve two (2) revised and restated Job Order Contracting Class A contracts between the City of Salinas and Granite Rock Company and between the City of Salinas and Granite Construction Company.

RECOMMENDATION:

Staff recommends that City Council approve a resolution approving two (2) revised and restated contracts for the Job Order Contracting for Misc. Street Maintenance Work Contract No. 2015-JOB01-Class A to: 1) remove the \$1,000,000 maximum contract value, and establish an estimated annual maximum of \$2,000,000, and 2) to institute a not guaranteed aggregate maximum contract value of \$4 million for the life of contract, and 3) to include any unallocated prior year funding to be carried-over to the following year.

Staff further recommends that City Council Authorize the Public Works Director, in consultation with the City Attorney, to execute any amendments to these Contracts, and to execute individual Job Order contracts, as necessary through the term of the agreements.

BACKGROUND:

On February 23, 2016, the City Council pursuant to Resolution No. 20916 (N.C.S.) approved a bid award and execution of contract with Granite Construction Company and Granite Rock Company for the Job Order Contracting (JOC) for Miscellaneous Street Maintenance Work, Contract No. 2015-JOB01-Class-A, for a base term of one (1) year, with two (2) one-year renewal options. The JOC system allowed the City to issue individual work orders to the two contractors to expeditiously work on the backlog of maintenance needs. This project is a continuation of the City's effort to repair and/or rehabilitate miscellaneous sidewalk/street-related work in areas that are deteriorated, damaged, or in need of repair, and/or make facility upgrades to meet current state *or* federal requirements.

Initial JOC construction started in May 2016, and the City has encumbered over \$2 million on streets and sidewalk repairs since program inception. The City is currently in the 1st year of the new 2-year contract, and has received commitment from the contractors to support the additional workload concept.

On June 20, 2017, the City Council pursuant to Resolution No. 21203 (N.C.S.) approved the award of a two-year contract to each contractor, Granite Rock Company and Granite Construction Company for the Job Order Contracting for Miscellaneous Class A Street/Street Maintenance Work to allow the City to continue issuing individual work orders to the two contractors to expeditiously work on the backlog of maintenance needs. This project is a continuation of the City's effort to repair and/or rehabilitate miscellaneous sidewalk/street-related work in areas that are deteriorated, damaged, or in need of repair, and/or make facility upgrades to meet current state or federal requirements.

DISCUSSION:

The demand for sidewalk and miscellaneous street maintenance work has increased. The funding available from Measure X, and Prop. SB-1 gas tax at the beginning of 2018 will help support this work. And accordingly the Department has realized a need to modify the two existing 2-year JOC for Misc. Street Maintenance Work Contract No. 2015-J0B01-Class A with Granite Construction and Granite Rock Company to keep-up with the demand. The City desires to revise the two existing JOC Class A agreements to: increase the not-guaranteed estimated value of each of the two JOC contracts to two million dollars (\$2,000,000); to include any unallocated carry-over from prior year and other CIP projects that may be able to utilize the JOC program; and to increase the maximum aggregate contract value of each of the two JOC contracts to a not-guaranteed aggregate maximum value of four million dollars (\$4,000,000) for the life of the contract.

The two contractors, Granite Construction Company and Granite Rock Company, have confirmed their desire to continue providing construction services to the City. Under the terms of the updated Agreements set forth in the attachments, compensation will be provided on a project-by-project basis, with each project subject to review and approval by the Public Works Director. The Contractors will be awarded projects based on a rotational-based selection process, and performance.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect

physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

This item relates to the Strategic Plan's goal of Well Planned City and Excellent Infrastructure. The first revision and restatement of the 2-year agreements for JOC for Misc. Street Maintenance Work Contract No. 2015-J0B01-Class A will allow several CIP projects to be completed in a timely manner to maintain and improve our community. This item promotes walkability and safer mobility in the community.

FISCAL AND SUSTAINABILITY IMPACT:

There is no immediate fiscal impact associated with the approval of the first revision and restatement of the 2-year contract agreements to the JOC for Misc. Street Maintenance Work Contract No. 2015-J0B01-Class A Agreements. Costs associated with the contract will be realized on a project-by-project basis, provided sufficient funding is available, and compensated using a variety of funding sources that include among others, Measure X, SB-1, or General Funds for already approved CIP projects.

ATTACHMENTS:

Resolution

First Revised and Restated Agreement - 2015-JOC-A - Granite Rock Company

First Revised and Restated Agreement - 2015-JOC-A - Granite Construction Company