



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JUNE 20, 2017

DEPARTMENT: PUBLIC WORKS

FROM: Phavana Aramkul, Junior Engineer

TITLE: JOC FOR MISC. STREET MAINTENANCE WORK CONTRACT
NO. 2015-J0B01-CLASS A

RECOMMENDED MOTION:

A motion to approve two 2-year contract agreements with 1) Granite Construction Company, and 2) Granite Rock Company, for the Job Order Contract (JOC) for Misc. Street Maintenance Work Contract No. 2015-J0B01-Class A, to continue repairing various sidewalks, and miscellaneous street related work throughout the city.

RECOMMENDATION:

Staff recommends that City Council approve a resolution approving two 2-year contract agreements for the JOCs for Miscellaneous Street Maintenance Work (Concrete, Pavement, Striping, Signing, Trees, Street/Pedestrian Lighting, Traffic Signal Modification, Storm Drain, and Other Miscellaneous Street-Related Work) CONTRACT No. 2015-JOB01-Class A contract to Granite Construction Company; and to Granite Rock Company; and

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 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 work on the backlog of maintenance needs expeditiously. This project is a continuation of the City's effort to repair and/or rehabilitate miscellaneous 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 spent over \$1.7 million on streets and sidewalk repair since program inception. The City currently is out of the 1st year base contract, and has negotiated a two-year contract with an updated adjustment factor from the initial bid proposal established on Feb. 23, 2016. The new 2-year contract adjustment factor (award

multiplier) is determined by the ratio of the “first year index average” / “base year index average” to determine the new price adjustment figure. The product of the award multiplier and the new price adjustment figure determines the new award multiplier. See Exhibit A of attached contract agreements.

On March 23, 2017, awarded contractors submitted requests to exercise annual contract renewals, but on February 23, 2017 the agreement contract with Granite Construction Company and Granite Rock Company expired. Staff recommends and proposes a new 2-year contract term to continue with JOC miscellaneous street repairs.

The Project will have on-going construction contracts for the next two years, with amendments that may need to be made.

DISCUSSION:

The Public Works department has realized a need to combine the multi-year renewal options into a one time two-year contract. The demand for JOC sidewalk and miscellaneous street maintenance work has increased and the deadlines have become more aggressive. In an effort to address that need, the department is requesting to by-pass the annual renewal process paperwork into one two-year contract. It is anticipated that the biennial contract will provide continuous uninterrupted services for the multi-year sidewalk and street-related work.

The two proposed 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 Agreement 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. Contractor will be awarded projects based on a rotational-based selection process.

The contractors will provide continuous services under the terms and conditions of the JOC for Misc. Street Maintenance Work Contract No. 2015-J0B01-Class A project specifications, the new 2-year Contract Agreement, and work scope/cost negotiated by staff. The JOC for Misc. Street Maintenance Work Contract No. 2015-J0B01-Class A Contract agreement will end in June 19, 2019, and will advertise for new bidders if the City desires to continue the JOC process.

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, and any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

The majority of work will be maintenance related, which is Categorically Exempt under CEQA, section 15301(c).

STRATEGIC PLAN INITIATIVE:

The 2-year contract agreement for JOC for Misc. Street Maintenance Work Contract No. 2015-JOB01-Class A will allow several CIP projects to be completed in a timely manner to maintain and improve our community, and promote walkability in the community. This item relates to the Strategic plan of Well Planned City and Excellent infrastructure.

FISCAL AND SUSTAINABILITY IMPACT:

The 2017/18 FY budget for CIP 9720 is \$2,000,000 from Measure X for “Sidewalk & Drainage Repairs” and additional \$200,000 from Gas Tax for “ADA Pedestrian Ramp Installation” for a total of \$2,200,000.

Based on the Projected 2017/2018 FY budget, sufficient funds are available to begin issuing work orders to make the needed sidewalk and pedestrian ramp repairs and spend the FY 17/18 funds.

Based on the Engineer’s program estimate, sufficient funds are available to begin issuing work orders to spend the FY17-18 funds.

ATTACHMENTS:

Resolution

Agreement Granite Rock Company

Agreement Granite Construction Company