

REPORT

**To the Honorable Mayor and City Council
From the City Manager**

June 23, 2008

SUBJECT

Award of Contract -- 2007-2008 Asphalt Rubber Chip Seal Project

RECOMMENDATION

Approve, by motion, the contract documents and award the contract for the 2007-2008 Asphalt Rubber Chip Seal Project to the lowest responsible bidder, International Surfacing Systems of Modesto, for their low bid of \$698,388.56 and authorize the City Manager to increase the contract amount, if necessary, up to 10% of the amount awarded.

BACKGROUND

The 2007-2008 Asphalt Rubber Chip Seal Project is part the City's Roadway Management System (RMS) Program, which performs on-going pavement repair and replacement. The purpose of this project is to resurface the roadway segments roughly bordered by G Street to the north, Winslow Street to the east, Marshall Street to the south, and Stafford Street to the west. Please see attached project location map.

Asphalt rubber chip seal is part of a two-step roadway resurfacing process known as cape seal. Cape seal is a cost-effective preventive maintenance measure that provides a new wearing surface, seals and protects the underlying pavement from damage due to weather, and extends the useful life of the pavement. Cape seal consists of an initial application of asphalt rubber chip seal where warranted by excessive damage, followed some weeks later by a slurry seal. Some streets may receive only a slurry seal if the roadway surface is not significantly damaged. The cape seal process is generally used to protect low traffic volume/residential roadway surfaces.

The application of asphalt rubber chip seal and slurry seal are two separate trade specialties. The City contracts and coordinates directly with separate contractors for chip seal and slurry seal work. Contracting for specific roadway resurfacing specialty work results in more cost effective projects and higher quality product.

Notice of the proposed roadway project was mailed to area residents and property owners on June 6, 2008 and a press release is scheduled for June 24, 2008.

One (1) bids were received for the 2007-2008 Asphalt Rubber Chip Seal Project on June 4, 2008, and is summarized below.

Bidder	Bid Amount
International Surfacing Systems, Modesto	\$698,388.56
Engineer's Estimate	\$555,802.00
Recommended Bidder: International Surfacing Systems Substantiation: International Surfacing Systems is the lowest responsive and responsible bidder.	

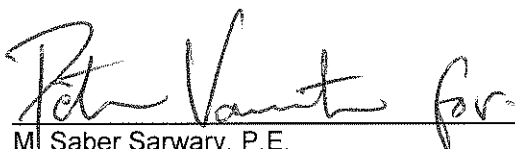
The bid of \$698,388.56 from International Surfacing Systems is over 25% higher than the engineer's estimate of \$555,802.00 for the cost of construction. Staff attributes this variance to a bidding environment marked by limited competition and high seasonal demand for this trade specialty. Staff believes that International Surfacing Systems' bid of \$698,388.56 is reasonable and responsive, and recommends awarding the contract to International Surfacing Systems.

ALTERNATIVES

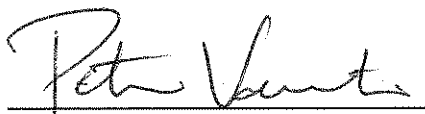
Council may choose not to award the contract for the 2007-2008 Asphalt Rubber Chip Seal Project and direct staff to redesign and/or rebid the project. Continued deterioration of the roadway surface will result in higher repair costs.

FISCAL IMPACT

Funds have been approved and appropriated in the budget for Fiscal Year 2007/2008, Transportation (Measure "A") Funds, Street Pavement Management Program which has an available balance of \$391,533.00, and Transportation Grants (Proposition 1B), Street Pavement Management Program which has an available balance of \$1,238,894.00. As well, some or part of the Rubberized Asphalt Concrete Chip Seal Grant of \$25,000.00 recently received from the California Integrated Waste Management Board may be used to defray the cost of this project.



M. Saber Sarwary, P.E.
Senior Civil Engineer



S. Peter Vorametsanti, P.E.
Supervising Civil Engineer



Chu Chang, P.E., Acting Director
Community Development Services



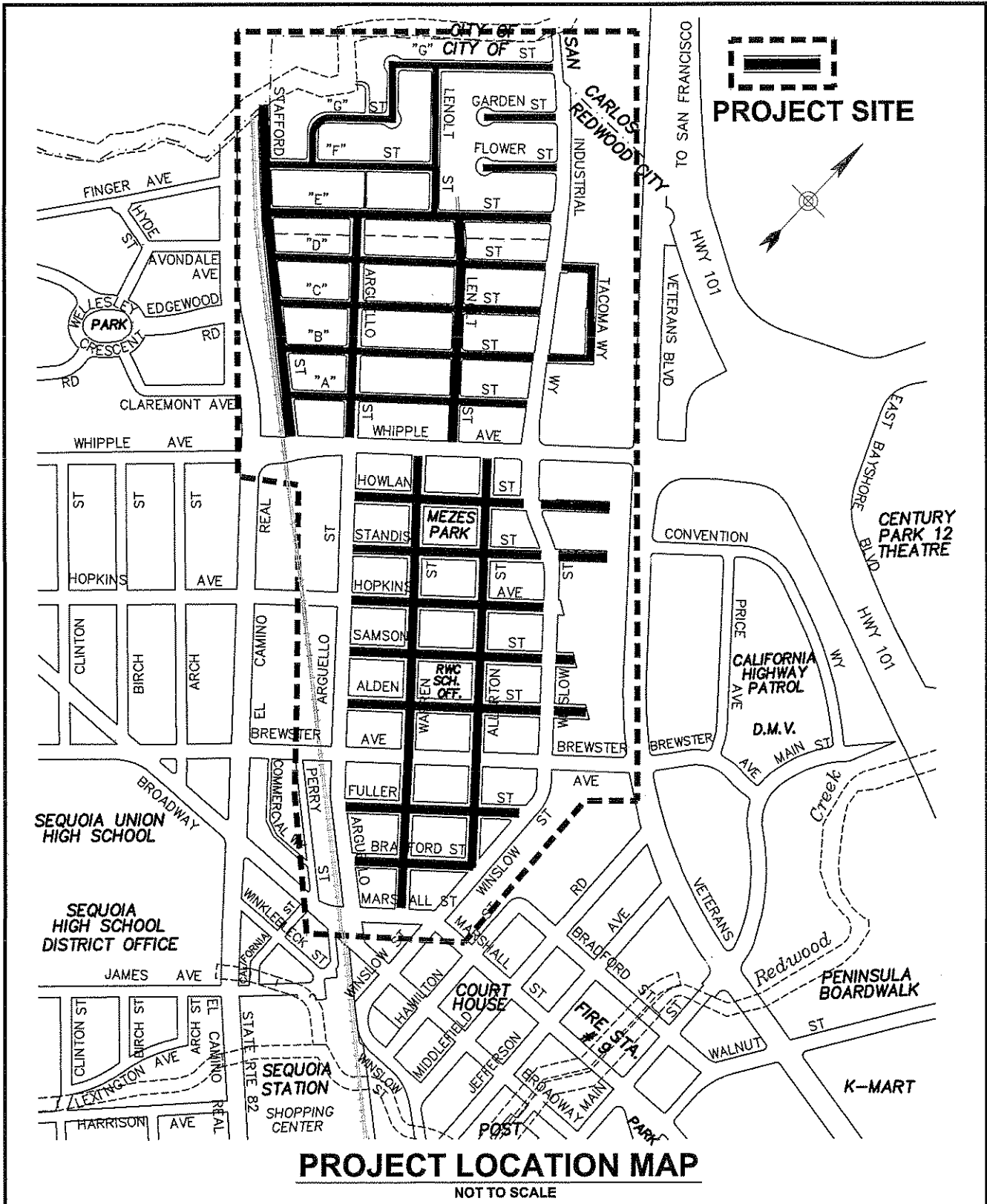
Peter Ingram
City Manager

ATTACHMENTS

Project Location Map

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

1. Contract Documents
2. Bid Documents



PROJECT LOCATION MAP
NOT TO SCALE

DELINEATED:	DATE: 02/19/08
M.GITO	
CHECKED:	DATE: 02/19/08
J.EVORA	
APPROVED:	DATE:
S.SARWARY	
SCALE:	NOT TO SCALE

CITY OF REDWOOD CITY
COMMUNITY DEVELOPMENT SERVICES
ENGINEERING AND CONSTRUCTION

2007-2008
ASPHALT RUBBER
CHIP SEAL PROJECT