



Agenda Report

21-1139

Agenda Date: 12/7/2021

REPORT TO COUNCIL

SUBJECT

Action on Award of Purchase Orders with Guerra Construction Group and SpenCon Construction for As-Needed Asphalt and Concrete Repair and Replacement Services

COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

BACKGROUND

The Department of Public Works (DPW) provides various services related to maintaining the City's sidewalks, curbs, and gutters. This work includes grinding as well as removing and replacing concrete to mitigate tripping hazards. The City does not have adequate staff to maintain all these facilities and as a result, utilizes contractors to provide concrete maintenance services. The current agreement expires on December 31, 2021.

DPW also maintains City streets in addition to various alleyways and parking lots. Most street rehabilitation work is scheduled in advance and performed by contractors under the Annual Street Rehabilitation program. DPW staff regularly performs small asphalt removal and replacement, pothole repairs, and crack sealing. DPW does not have the capacity to efficiently complete large asphalt repairs. The proposed agreement will provide a mechanism to quickly complete these larger repairs.

DISCUSSION

Bid Summary

Pursuant to City Code Section 2.105.330, a formal Request for Bids (RFB) was conducted as the solicitation method for this procurement, with award recommendation to the lowest bidder.

In September 2021, the City released an RFB for as needed concrete repair and replacement services and as-needed asphalt repairs. A total of 36 companies viewed the RFB which was posted on the City's e-procurement system, and two bids were received as follows:

Bidder	Total Base Bid for Forecast Usage
Guerra Construction Group	\$ 351,784
SpenCon Construction	\$ 573,020

Bid Award

Staff recommends award of purchase orders to both Guerra Construction Group (90 percent) and SpenCon Construction (10 percent) for a one-year term. As the low bidder, Guerra Construction

Group will be the primary contractor, and SpenCon Construction will be used as a secondary contractor only if Guerra Construction Group is not able to complete the work within the time designated by the City. Awarding to two contractors provides more capacity and flexibility for the City to respond to unanticipated repairs.

Labor rates shall be firm fixed for the one-year duration of the purchase orders. Contractors shall be required to pay prevailing wages.

ENVIRONMENTAL REVIEW

The action being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing.

FISCAL IMPACT

Annual funding of \$380,000 in the Sidewalk, Curb and Gutter Repair project in the Streets and Highways Fund is available to fund a portion of the purchase order. The aggregate funding request for the term of the purchase orders from January 1, 2022 through December 31, 2022 is \$900,000. This purchase order may be used for other projects as needs arise, subject to the availability of funds. Funding beyond available budget is subject to the appropriation of funds.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

1. Authorize the City Manager to execute purchase orders with Guerra Construction Group in the amount of \$316,606 and SpenCon Construction in the amount of \$57,302 to provide as-needed asphalt and concrete repair and replacement services for a one-year term starting on January 1, 2022 and ending on December 31, 2022;
2. Authorize the City Manager to execute change orders to increase aggregate compensation in the event demand for services exceeds the Department's forecast, not to exceed an aggregate amount of \$900,000 and subject to the appropriation of funds; and
3. Authorize the City Manager to adjust compensation amounts between the two vendors during the term, provided the aggregate compensation does not exceed \$900,000.

Reviewed by: Craig Mobeck Director of Public Works

Approved by: Deanna J. Santana, City Manager