

COUNCIL AGENDA: AUGUST 3, 2010

SUBJECT: AWARD OF CONTRACT – REHABILITATE RUNWAY 12-30 PROJECT

SOURCE: Public Works Department - Engineering Division

COMMENT: On May 18, 2010, staff received six (6) bids for the Rehabilitate Runway 12-30 Project. This project consists of the grind, removal and disposal of variable thickness runway asphalt and the placement of an overlay asphalt cap.

The project will be funded by an FAA grant (Grant Agreement #11) approved on July 13, 2010. The grant has an upper limit of \$2,048,269 and must be matched with 5% local funds (\$107,804.50). The Engineer's Estimate of Probable Cost was \$2,156,090. The six bids are as follows:

<u>Contractor</u>	<u>Bid Amount</u>
W. Jaxon Baker Redding, CA	\$1,945,406
Granite construction Fresno, CA	\$1,962,374
Mitch Brown Construction Porterville, CA	\$2,062,663.72
Lee's Paving Visalia, CA	\$2,068,273
Construction Development Systems Fresno, CA	\$2,114,128
Teichert Construction Fowler, CA	\$2,148,306

The low bid is 9.8% below the engineer's estimate. Staff recommends that a 10% contingency (\$194,541) be added to cover all pertinent aspects of the project. The overall project management and inspection of the Runway Rehabilitation project will be performed by Tartaglia Engineering under a separate Airport Engineering contract.

Dir. BSL Appropriated/Funded MB CM J

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The total construction cost for the Rehabilitate Runway 12-30 project is \$2,139,946.60 of which \$2,032,949.27 is FAA grant funded and \$106,996.33 is the 5% local match. The Council authorized the Mayor to accept the FAA grant on July 6, 2010 and approved funding the local match from Airport Development construction funds.

RECOMMENDATION: That City Council:

1. Award the Rehabilitate Runway 12-30 project to W. Jaxon Baker Inc. in the amount of \$1,945,406;
2. Authorize progress payments up to 90% of the contract amount; and
3. Authorize a 10% contingency to cover unforeseen construction costs.