SUBJECT: AUTHORIZATION CONTRACT AUGMENTATION AND ADDITIONAL WORK – OLIVE AVENUE REHABILITATION PROJECT

SOURCE: Public Works Department - Engineering Division

COMMENT: The City’s contractor, Bowman Asphalt, is still under contract for the Olive Avenue Rehabilitation Project. There have been several complaints regarding the poor condition of Henderson Avenue and Oak Avenue, immediately east of Fourth Street. These streets are extremely rough and deteriorated, specifically to the area confined by the existing railroad improvements that are no longer in use due the abandonment of this railway. Staff recognizes an opportunity to expedite removal of these abandoned rails by utilizing our existing contract with Bowman Asphalt. Bowman Asphalt is receptive to the augmentation of their contract to completely remove the existing abandoned railroad improvements and to construct an appropriate street structural section (aggregate base and asphalt concrete) in its place.

Staff’s independent Engineer’s Estimate for this work is $52,224. At the City’s request Bowman Asphalt provided a cost proposal in the amount of $40,549.13 or 22.4% below the estimate. The cost proposal is attached for Council’s review. An additional $4,000 is necessary for construction contingency (9.9%). It is anticipated that an additional $3,000 (7.4%) is required for construction management, quality control, and inspection services for a total estimated projected cost of $47,549.13. This request for additional work equates to a 9.4% increase to Bowman Asphalt’s existing bid contract amount. City Council approved contingencies are not applicable to this increase.

Staff is requesting an appropriation of $47,549.13 from unallocated Local Transportation Funds to cover the cost associated with this request for additional work.

RECOMMENDATION: That City Council:

1. Authorize a scope of contract expansion for the Olive Avenue Rehabilitation Project as discussed herein;

2. Authorize a $47,549.13 contract augmentation with Bowman Asphalt; and

Dir Appropiated/Funded CM Item No. 1
3. Approve an appropriation of $47,549.13 from unallocated Local Transportation Funds for the Olive Avenue Rehabilitation Project.

ATTACHMENTS: Locator Map
               Cost Proposal
Grading - Paving - Sealcoating  
3351 Fairhaven Drive  
Bakersfield, CA 93308  
661.334.1356  
661.334.1879 fax  
License #862572

| To: | City Of Porterville | Contact: | Nathan Delk |
| Address: | Porterville, CA | Phone: | 559-782-7462 |
| | | Fax: | 559-781-6437 |

| Project Name: | Henderson Ave. & Oak Ave. Rail Removal | Bid Number: | 137760PW |
| Project Location: | Henderson Ave. & Oak Ave., Porterville, CA | Bid Date: | 10/25/2013 |

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<tr>
<th>Item #</th>
<th>Item Description</th>
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<tr>
<td>1</td>
<td>Mobilization</td>
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<td>2</td>
<td>Traffic Control Including Traffic Plan.</td>
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<td>3</td>
<td>Sawcut, Demo Rails, And Offhaul.</td>
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<tr>
<td>4</td>
<td>Compact Subgrade 12&quot; From Top Of Finish Subgrade.</td>
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<tr>
<td>5</td>
<td>Class 2 Base Rock. (11&quot; On Oak &amp; 9&quot; On Henderson)</td>
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<tr>
<td>6</td>
<td>Asphalt Concrete 1/2&quot; Type A PG 64-10. (3&quot; On Oak &amp; 5&quot; On Henderson)</td>
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Total Bid Price: $40,549.13

Notes:
- Grades to balance +/- .10'.
- Compaction testing provided by others.
- This proposal is good for Thirty (30) days.
- Traffic control provided for our work only.
- Permits, Testing, Staking and Surveying not included.
- Cannot guarantee proper drainage with 1.5% or less in grade fall.
- Compaction and sections based on plan sheet provided by City of Porterville.
- Water and Water Source, in close proximity to work area, supplied by others.
- Due to volatile oil prices, the asphalt material price included in this proposal expires November 30, 2013. Any Asphalt placed after that date is subject to price increases.

Payment Terms:
This proposal is to be paid in 30 days from invoice date. Subject to a service charge of 1.5% per month. Interest rate per annum is 18%. Should Bowman Asphalt be required to commence any legal action to recover losses under this agreement or required to employ an attorney for the enforcement of any of its rights herein, customer agrees to pay for reasonable fees and costs incurred thereby.

ACCEPTED:
The above prices, specifications and conditions are satisfactory and are hereby accepted.

Buyer: ____________________________
Signature: _________________________
Date of Acceptance: ____________________________

CONFIRMED:
Bowman Asphalt, Inc.

Authorized Signature: _________________________
Estimator: Marty Adams
madams@bowmanasphalt.com

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