



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CA07-157**

1. Agenda Item Number:
40
2. Council Meeting Date:
January 11, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: December 20, 2006

THROUGH: CITY MANAGER

4. Requesting Department: Public Works

5. SUBJECT: Award a construction contract to M.R. Tanner Construction for Asphalt Mill and Inlay, Project No. ST0709-401, in an amount not to exceed \$994,300.

6. RECOMMENDATION: Staff recommends that Council award a construction contract to M.R. Tanner Construction for Asphalt Mill and Inlay, Project No. ST0709-401, in an amount not to exceed \$994,300.

7. BACKGROUND/DISCUSSION: The Streets Division staff has field-evaluated in excess of three centerline miles of streets that were identified for rehabilitation by the City's pavement management system. The rehabilitation of these streets will use the mill and inlay process. The mill and inlay of a street becomes necessary when the existing pavement condition is such that the street can no longer be properly maintained with slurry seal or micro seal applications.

The rehabilitation will occur along eleven sections of residential and collector streets. These streets are located within the areas shown on the attached map. This work is expected to start in February 2007 and be completed by summer 2007. Access to residences and business will be maintained at all times.

8. EVALUATION: On December 19, 2006, six (6) bids were received and opened on December 20, 2006 with the results as follows:

M.R. Tanner Construction	\$994,300.00
Nesbitt Contracting, Inc.	\$1,140,252.00
FNF Construction, Inc.	\$1,196,800.00
J. Banicki Construction, Inc.	\$1,231,183.00
Sunland Asphalt	\$1,337,862.80
Cactus Asphalt	\$1,661,518.44

The Engineer's estimate was \$794,519 based on a similar previous contract with a 10% inflationary figure applied. The primary line items that account for the difference between the estimate and the low bid were paving (18% increase), traffic control (157% increase), and base repair (108% increase). The prices are likely reflecting the current high level of workload in the contracting community and the accelerated inflation of construction materials such as asphalt. The total contract time is 365 calendar days to provide the Streets Department with flexibility in the project schedule. City staff will provide construction inspections.

9. FINANCIAL IMPLICATIONS:

Cost: \$994,300
Savings: N/A
Long Term Costs: N/A

Fund Source:

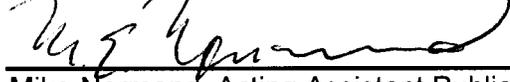
<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
215.3310.0000.6513.4ST009	HURF	Street Maintenance	FY03/04	\$68,219
101.3310.0000.6513.5ST248	General Fund	Street Repaving	FY04/05	\$2,438
411.3310.0000.6513.5ST248	GO Bonds-Streets	Street Repaving	FY04/05	\$11,717
215.3310.0000.6513.6ST248	HURF	Street Repaving	FY05/06	\$197,441
411.3310.0000.6513.6ST248	GO Bonds-Streets	Street Repaving	FY05/06	\$14,975
215.3310.0000.6513.7ST248	HURF	Street Repaving	FY06/07	\$699,510

10. PROPOSED MOTION: Move that Council award a construction contract to M.R. Tanner Construction for Asphalt Mill and Inlay, Project No. ST0709-401, in an amount not to exceed \$994,300, and authorize the Mayor to sign the contract documents.

ATTACHMENTS: Location Map

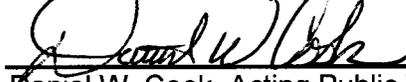
APPROVALS

11. Requesting Department



Mike Normand, Acting Assistant Public Works Director/Transportation & Operations

13. Department Head



Daniel W. Cook, Acting Public Works Director

12. City Engineer



Elizabeth M. Huning, Assistant Public Works Director/City Engineer

14. City Manager

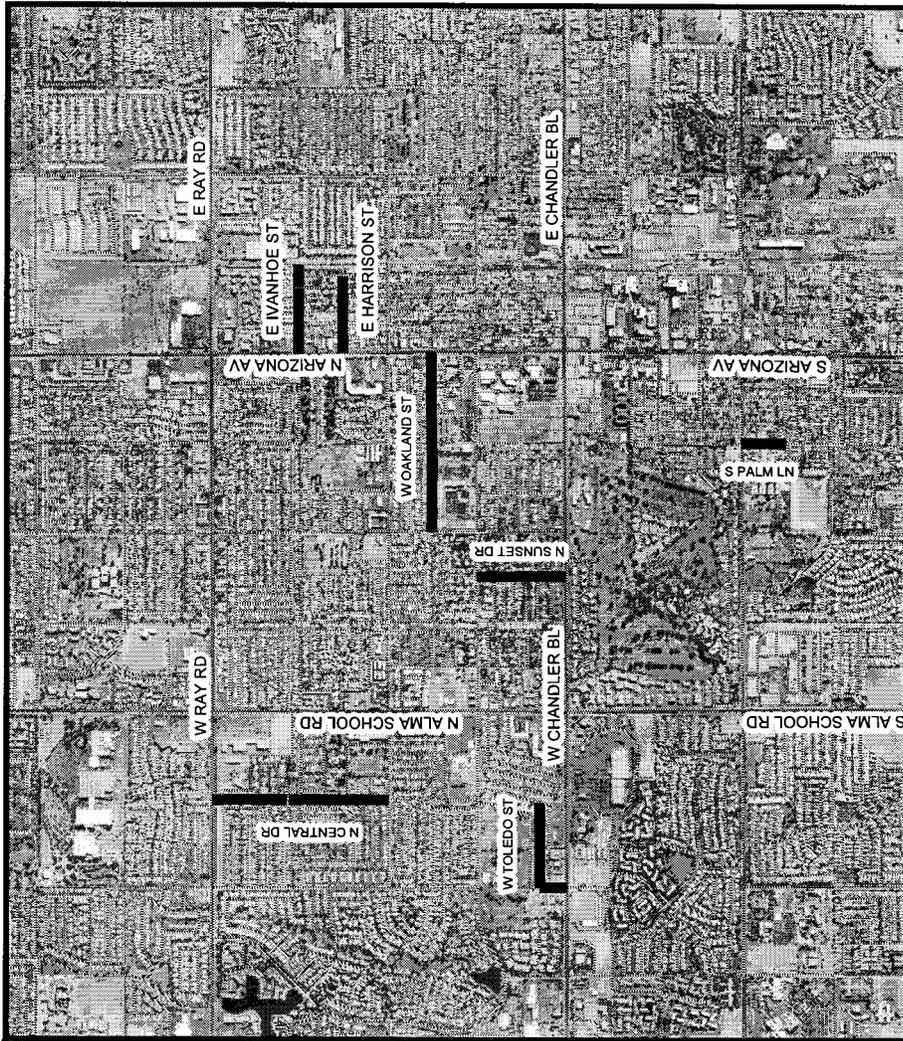
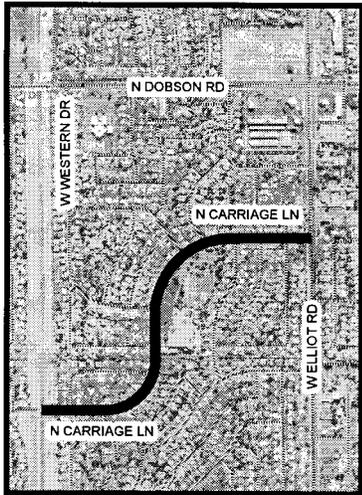


W. Mark Pentz

Actual for



ASPHALT MILL AND INLAY ST0709-401



MEMO NO. CA07-157



LEGEND

— MILL AND INLAY