

**City Manager's Report**  
**June 25, 2019 City Council Meeting**  
**Prepared By: Nick Stone, Director of Public Works**



**Item#: 12.4**

**Subject:** Adopt a Resolution:

1. Approving a construction contract with Doug Veerkamp General Engineering, Inc. in the amount of \$79,297.05 for the Lower Airport Road Asphalt Rehabilitation Project (CIP #41908); and
2. Authorizing the City Manager to execute the same; and
3. Authorizing the City Manager to negotiate any unforeseen and necessary Contract Change Orders for a not-to-exceed aggregate amount of \$8,000; and
4. Approving a budget appropriation from the Gas Tax Fund unassigned fund balance in the amount of \$56,297 for the said project.

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**Purpose:** The purpose of the proposed contract is to improve the current Pavement Condition Index (PCI) for portions of Lower Airport Road from the poor to failed category to very good (PCI of 70 and above).

**Background:**

The City's Pavement Management Program cites a poor to failed Pavement Condition Index (PCI) on Airport Road from Broadway to Goldman Lane. Tonight, staff is recommending a \$79,297.05 construction contract with Doug Veerkamp General Engineering, Inc. to make the necessary repairs to this section of roadway in the interest of preserving and improving service life.

**Discussion:**

After solicitation of multiple contractors, the lowest bid received for the project was from Doug Veerkamp General Engineering Inc. in the amount of \$79,297.05 for a 3" grind, patch paving and striping. A second bid was received from Joe Vicini Inc. in the amount of \$85,686.38. No utility work is planned as part of this project. The work is scheduled to start in July and is estimated to take 3 working days. Once the start date is confirmed, public notification and outreach will commence.

A 10% contingency of \$8,000 is recommended if additional items are needed during construction to further address field conditions and repairs of the existing facilities. The extent of these items will not be fully known until the project is actively under construction. Staff's recommendation also includes the request to grant the City Manager the authority to approve any unforeseen change orders during construction to address items beyond the awarded contract scope of work and to prevent project delay. With Council approval, the City Manager will be able to negotiate

any necessary contract change orders being requested for a not-to-exceed aggregate amount of \$8,000.

The process for using this proposed authority will be upon evaluation in the field during construction, the Director of Public Works will review force account options and make a recommendation to the City Manager to address the out of scope work that will deliver a more complete and durable project for Lower Airport Road. The project limits are from the intersection of Broadway to the intersection with Goldman Lane. If time allows, staff will present any change orders to the City Council for approval prior to execution.

**Options:**

1. Approve the construction contract and contract change order authority as recommended by staff.
2. Direct staff to take other actions.

**Cost:** The cost of the proposed construction contract with Doug Veerkamp General Engineering Inc. is \$79,297.05

**Budget Impact:**

The City Council adopted the Fiscal Year 2018/2019 Capital Improvement Program Budget which appropriated \$39,000 from the Measure L Fund for the Lower Airport Road Asphalt Rehabilitation Project (CIP #41908). In early 2018 the project was estimated at 5,900 sq. ft. It is now estimated at 17,069 sq. feet due to winter storms and pavement failing quicker than anticipated. In order to complete the project, staff is recommending the following proposed project revenue and expenditure budgets:

<b>Revenue Description</b>	<b>Adopted Project Budget</b>	<b>Proposed Project Budget</b>	<b>Increase/ (Decrease)</b>
Measure L Fund	\$ 39,000	\$ 39,000	\$ -
Gas Tax Fund	-	56,297	56,297
<b>Total</b>	<b>\$ 39,000</b>	<b>\$ 95,297</b>	<b>\$ 56,297</b>

<b>Description</b>	<b>Adopted Project Budget</b>	<b>Proposed Project Budget</b>	<b>Increase/ (Decrease)</b>
Construction	\$ 33,000	\$ 79,297	\$ 46,297
Inspection	-	3,000	3,000
Monumentation	-	5,000	5,000
Contingency	6,000	8,000	2,000
<b>Total</b>	<b>\$ 39,000</b>	<b>\$ 95,297</b>	<b>\$ 56,297</b>

As you can see, the proposed \$79,297.05 construction contract with Doug Veerkamp General Engineering, Inc. is well within the \$95,297 proposed project budget.

**Recommendation:**

Adopt a Resolution:

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3. Authorizing the City Manager to negotiate any unforeseen and necessary Contract Change Orders for a not-to-exceed aggregate amount of \$8,000; and
4. Approving a budget appropriation from the Gas Tax Fund unassigned fund balance in the amount of \$56,297 for the said project.



M. Cleve Morris, City Manager



Nick Stone, Director of Public Works

Attachment A: Resolution

Attachment B: Project Limits Exhibit