



# City of Rialto

## Legislation Text

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**File #:** 18-436, **Version:** 1

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For City Council Meeting [August 14, 2018]

TO: Honorable Mayor and City Council

APPROVAL: Ahmad R. Ansari, Interim City Administrator

FROM: Robert G. Eisenbeisz, P.E., Public Works Director/City Engineer

Request City Council to Approve the First Amendment to the Construction Contract Agreement with Hardy & Harper, Inc., for On-Call Paving Services for Fiscal Year 2018/2019 in the Amount of \$165,000.

**(ACTION)**

**BACKGROUND:**

On March 27, 2012, the City Council approved a Concession Agreement (CA) with Rialto Water Services (RWS) to operate and maintain the City's water and wastewater enterprise for a term of 30 years. The CA contemplated that RWS would backfill and compact street cuts created during maintenance and operation of the utility systems with a temporary asphalt patch, and that the Public Works Department would follow up with permanent trench paving using hot mix asphalt in accordance with the City's Trench Repair Standard (SC-231).

The CA requires the RWS operator (Veolia) to backfill, provide compaction testing, place base and temporary asphalt in all water and sewer utility cuts related to maintenance and operation activities. The City of Rialto Public Works Department provides final asphalt paving of the trench cuts with a minimum of 1,000 square feet of trench repairs at a time. The work includes removing temporary asphalt, placing permanent asphalt with a larger cold mill and cap, where applicable, to make final trench repairs per City of Rialto Public Works Standard SC-231.

On March 14, 2017, the City Council awarded a Construction Contract Agreement (CCA) to Hardy & Harper, Inc. a California Corporation, for \$439,575 (\$189,575 for FY2016/2017 and \$250,000 for FY2017/2018, Resolution No.7090) for on-Call Permanent Trench Paving Services. A copy of the CCA is included as **Attachment 1**. Pursuant to Article 3 of the CCA, the initial term was for two years commencing on July 8, 2016, through June 30, 2018, with three (3) optional one year extensions.

**ANALYSIS/DISCUSSION:**

Staff has been satisfied with the contractor's performance and recommends that the City Council approve a First Amendment to the CCA with Hardy & Harper, Inc., exercising the first of the City's optional one-year extensions to provide On-Call Permanent Trench Paving Services in Fiscal Year 2018/2019. Listed below is a summary of past work completed by Hardy & Harper, Inc. for the City of Rialto under the current contract:

**Trench Repairs & Paving Completed for two fiscal years**

<b>Task</b>	<b>Location</b>	<b>Amount</b>
Water Cut Trench Repair	185 Locations throughout the city	\$206,454.59
General Paving at Sewer Treatment Plant	5,000 Square Feet of asphalt paving at the FOG station	\$17,550.00
General Paving Maintenance	152.12 Tons at Ayala/Riverside Intersection	\$38,209.92
	101.42 Tons at Alder/Renaissance Intersection	\$29,780.00
	280 Tons at McWethy Street	\$40,200.00
<b>Total two-year Contract</b>		<b>\$332,194.51</b>

Pursuant to Article 3 of the CCA, the original bid prices are subject to a percentage upward change in the United States Bureau of Labor Statistics Consumer Price Index "All Urban Consumers for Los Angeles, Riverside and Orange County, CA (CPI)" for the most recent twelve (12) months for which statistics are available. The most current statistics have established the CPI at 2.9%. Hardy & Harper, Inc. has declined this price increase for the 18/19 Fiscal Year.

Staff prepared the First Amendment to the CCA with Hardy & Harper, Inc. to accomplish the following:

- Exercise the first annual extension of the CCA, extending the term through June 30, 2019

A copy of the proposed First Amendment to the CCA with Hardy & Harper, Inc. is included as **Attachment 2**. Based on the last two years expenditures on the contract, staff recommends approval of the first amendment to the construction contract agreement in the amount of \$165,000 for a cumulative contract total amount of \$497,194.51.

**ENVIRONMENTAL IMPACT:**

This project is a Class 1 exemption pursuant to California Environmental Quality Act (CEQA) Section 15301 Existing Facilities. Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The types of "existing facilities" itemized below are not intended to be all inclusive of the types of projects that might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of an existing use. Examples include but are not limited to: (d) Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety.

**GENERAL PLAN CONSISTENCY:**

This action is consistent with Guiding Principle 3A in the General Plan:

*Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.*

Approval of this action also complies with the City of Rialto General Plan Goal and Policies:

Goal 3-8: Promote affordable and quality water service capable of adequately meeting normal and emergency water demands to all areas in Rialto.

Policy 3-8.4: Advocate regular evaluation of the entire water supply and distribution system to ensure its continued adequacy, reliability, and safety.

Policy 3-8.5: Upgrade outdated and undersized water service facilities to prevent unnecessary system failures in the City's water system.

**LEGAL REVIEW:**

The City Attorney has reviewed and approved the staff report.

**FINANCIAL IMPACT:**

A copy of the City's Disclosure form is included as **Attachment 3**.

**Operating Budget Impact**

Budget in Fiscal Year 2018/2019 for this service is available as shown below:

The requested issuance of a purchase order with Hardy & Harper, Inc. for the amount of \$165,000 will be from Water Fund Account No. 670-500-7150-2011 in the amount of \$115,000; from the Wastewater Fund in the amount of \$10,000; and from the General Fund Street Maintenance Fund Account No. 010-500-7305-2011 in the amount of \$40,000.

The requested approval is contingent upon Council adoption of the FY 2018-19 Budget.

**Capital Improvement Budget Impact**

This action does not impact the capital improvement budget.

**Licensing**

A business license application and payment of a Business License tax at the Professional Service rate in the amount of \$254.00, plus the renewal fee at \$31.90 and State fee of \$4.00 for a total of \$289.90 will be paid by the vendor prior to execution of the Professional Service Agreement/Purchase Order/Construction Contract.

**RECOMMENDATION:**

Staff recommends that the City Council Approve the first amendment to the construction contract agreement with Hardy & Harper, Inc., for on-Call Paving Services for Fiscal Year 2018/2019 in the Amount of \$165,000 contingent upon approval and adoption of the proposed Budget for Fiscal Year

2018/19.