



AGENDA STAFF REPORT

DATE: April 12, 2021

TO: Honorable Mayor and City Council

THRU: Jill R. Ingram, City Manager

FROM: Steve Myrter, P.E., Director of Public Works

SUBJECT: **Awarding and Authorizing the City Manager to Execute Professional Services Agreements with G.M. Sager Construction Co., Inc. and Hardy & Harper, Inc. for On-Call Emergency and Unexpected Task Asphalt Maintenance and Repair Services**

SUMMARY OF REQUEST:

That the City Council adopt Resolution 7133:

1. Approving and awarding a professional services agreement with G.M. Sager Construction Co., Inc., in the amount of \$300,000 to provide On-Call Emergency and Unexpected Task Asphalt Maintenance and Repair Services for a three-year term; and,
2. Approving and awarding a professional services agreement with Hardy & Harper, Inc., in the amount of \$300,000 to provide On-Call Emergency and Unexpected Task Asphalt Maintenance and Repair Services for a three-year term; and,
3. Authorizing and directing the City Manager to execute the Agreements; and,
4. Authorizing the City Manager the option to extend any or all of the Agreements up to two (2) additional one-year terms after its original term for a not-to-exceed amount of \$100,000 per additional term.

BACKGROUND AND ANALYSIS:

The City owns and maintains 41.8 centerline miles of pavement that range from smaller local streets to larger arterials as designated on the Orange County Master Plan of Arterial Highways (OC MPAH). Per the 2020 Pavement Management Plan, the Citywide pavement condition index (PCI) is 80, which is interpreted as "good".

The City budgets annual capital improvement program projects to rehabilitate select roadway segments; however, there are emergency and unplanned

situations where immediate attention is needed, such as potholes or pavement restoration due to emergency utility repairs. In-house staff is able to address smaller efforts; however, contract services are required for more extensive work. Depending on the scope of work, the process to retain contract services can take up to four months from the time of bid solicitation to purchase order issuance, which is not feasible for emergency or unplanned situations.

In efforts to streamline maintenance and repair needs, and provide readily available contract support, staff issued a Request for Proposal (RFP) to provide On-Call Emergency and Task Asphalt Maintenance and Repair Services. On February 16, 2021, staff received three (3) proposals. The evaluation panel, comprised of Public Works staff, rated the proposals based on their overall qualification, experience, availability, familiarity with the City's policies and standards, approach, cost proposal, amongst other factors. Based on the aforementioned, the following firms were deemed most qualified. Reference checks for these firms indicate satisfactory proficiency and experience to provide the requisite services.

- G.M. Sager Construction Co., Inc.
- Hardy & Harper, Inc.

Staff reviewed each firm's fee and cost proposal and found them to be consistent with industry standards. With the exception of an emergency, the scope and fee for each task will be agreed upon between the City and contractor through a letter proposal based on the established Fee and Cost Proposal. In an emergency, the fee would be based on the rates specified on the established Fee and Cost Proposal.

Similar to other City on-call agreements, expenditures over the adopted City Manager's contract authority will be brought to City Council for approval. In an emergency, expenditures will be brought to City Council for ratification after the emergency work is completed.

The contract term is three (3) years and the City will have the option to extend the contract for up to two (2) additional one-year terms. Each contractor's agreement is in a not-to-exceed amount of \$300,000 for the three-year original term. Each one-year term extension is in the amount of \$100,000. Due to the on-call nature of this agreement, work is not guaranteed to the contractor.

ENVIRONMENTAL IMPACT:

This item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the state CEQA Guidelines because it can be seen with certainty that approval of a professional services agreement with G.M. Sager Construction Co., Inc and Hardy & Harper, Inc., will not have a significant effect on the environment.

All maintenance and repair services under these Agreements will comply with all requirements of the California Environmental Quality Act (CEQA) and will generally be categorically exempt under Sections 15301 and 15302. Environmental impacts associated with each task order will be assessed under a separate effort.

LEGAL ANALYSIS:

The City Attorney has approved the agreements and resolution as to form.

FINANCIAL IMPACT:

All maintenance and repair services would be related to streets, water, sewer, or storm drain. Costs incurred under the Agreement would be charged to the appropriate fund's operation and maintenance budget. Therefore, no additional appropriation is required at this time.

STRATEGIC PLAN:

This item is not applicable to the Strategic Plan.

MEASURE BB:

This item is not applicable to Measure BB, the Seal Beach Neighborhood and Essential Services Protection Measure.

RECOMMENDATION:

That the City Council adopt Resolution 7133:

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2. Approving and awarding a professional services agreement with Hardy & Harper, Inc., in the amount of \$300,000 to provide On-Call Emergency and Unexpected Task Asphalt Maintenance and Repair Services for a three-year term; and,
3. Authorizing and directing the City Manager to execute the Agreements; and,
4. Authorizing the City Manager the option to extend any or all of the Agreements up to two (2) additional one-year terms after its original term for a not-to-exceed amount of \$100,000 per additional term.

SUBMITTED BY:

Steve Myrter

Steve Myrter, P.E., Director of
Public Works

NOTED AND APPROVED:

Jill R. Ingram

Jill R. Ingram, City Manager

Prepared by: Iris Lee, Deputy Public Works Director/City Engineer

ATTACHMENTS:

- A. Resolution 7133
- B. Agreement with G.M. Sager Construction Co., Inc.
- C. Agreement with Hardy & Harper, Inc.