



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 25, 2017

FROM: GENERAL SERVICES DEPARTMENT WARD: 3

SUBJECT: AWARD BID NO. 7486 FOR A CONSTRUCTION AGREEMENT WITH MAXWELL ASPHALT, INC., OF SALT LAKE CITY, UTAH, FOR REHABILITATION OF RIVERSIDE MUNICIPAL AIRPORT RUNWAY 09/27 AND AIRCRAFT APRON IN THE AMOUNT OF \$840,493.75 WITH 15% CHANGE ORDER AUTHORITY FOR A TOTAL AMOUNT OF \$966,567.81

ISSUE:

Award Bid No. 7486 for a Construction Contract with Maxwell Asphalt, Inc., Salt Lake City, Utah, for Runway 09/27 and Aircraft Apron Rehabilitation at the Riverside Municipal Airport in the amount of \$840,493.75 with 15% change order authority (\$126,074.06) for a total amount of \$966,567.81.

RECOMMENDATION:

That the City Council:

1. Award Bid No. 7486 for a Construction Agreement with Maxwell Asphalt, Inc., Salt Lake City, Utah, for rehabilitation of Runway 09/27 and aircraft apron at the Riverside Municipal Airport in the amount of \$840,493.75 with 15% change order authority (\$126,074.06) for a total amount of \$966,567.81;
2. Authorize the City Manager, or his designee, to amend the Federal Aviation Administration and State of California, Department of Transportation grant applications to request and accept additional grant funding in the event unforeseen construction costs arise during the project and authorize additional contract change order authority limited to the amount of grant funds received (if applicable); and
3. Authorize the City Manager, or his designee, to execute a Construction Agreement with Maxwell Asphalt, Inc. including making minor and non-substantive changes.

BACKGROUND:

The City of Riverside has made ongoing investments to accommodate growth at Riverside Municipal Airport, including reconstructing the main runway and a taxiway. Staff has identified

approximately 600,000 square feet of aircraft parking apron and Runway 09/27 that are in need of rehabilitation to ensure continued safe aircraft operations (Attachment 1 – Site Map).

DISCUSSION:

On April 18, 2017, City Council authorized acceptance of grant funds and adopted Resolution No. 23169 to fund construction services associated with the rehabilitation of approximately 600,000 square feet of aircraft apron and Runway 09/27 (Project) as follows:

Funding Source	Amount
Federal Aviation Administration Grant (FAA) (90% of project cost)	\$874,687.00
State of California, Department of Transportation Grant (CalDOT) (5% of FAA Grant Award)	\$43,734.38
City Airport Funds (balance)	\$53,453.62
TOTAL PROJECT ESTIMATE	\$971,875.00

On May 4, 2017, the Purchasing Division of the Finance Department posted Bid No. 7486 to provide construction services for the Project. Two (2) responses were received. The apparent low bidder was deemed non-responsive and Maxwell Asphalt, Inc. was subsequently deemed the lowest, responsive bidder in the amount of \$840,493.75—14% below the design consultant's estimate of \$971,875.

To address unforeseen conditions that may arise during construction, staff is requesting 15% change order authority in the amount of \$126,074.06 for a total amount of \$966,567.81.

In addition, due to the short construction schedule of less than 30 days and to minimize impacts to Airport operations, staff is requesting authorization to amend the Federal and State grant applications, only if necessary, to request additional funds should unforeseen work be identified during construction. Prompt amendment to the grant applications will allow staff to meet the strict timelines established by the FAA for grant reimbursement.

The FAA portion of the grant funding is anticipated to be awarded in late July 2017. Staff is in the process of submitting the CalDOT grant application to the State with formal award anticipated in August 2017. Construction is anticipated to be completed by the end of calendar year 2017.

The Purchasing Services Manager concurs that the recommendation actions comply with the City of Riverside's Purchasing Resolution No. 22576.

FISCAL IMPACT:

There is no fiscal impact to the General Fund. Upon award of grants from the FAA and the State of California, sufficient funds will be available in General Services 2016-18 project account to be assigned by the Finance Department as authorized by City Council on April 18, 2017.

Prepared by:	Carl Carey, General Services Director
Certified as to	
Availability of funds:	Scott G. Miller, PhD, Chief Financial Officer/City Treasurer
Approved by:	Marianna Marysheva, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. Site Map
2. Bid Recommendation