

COUNCIL COMMUNICATION

TO: Honorable Mayor and Council

FROM: Kenneth R. Porosky, Maintenance Services Superintendent

SUBJECT:

Award Bid for Fiscal Year 2018-2019 Chip Seal Program to Cholla Pavement Maintenance, Inc.
(*Ken Porosky*)

FUNDING SOURCE:

Highway User Revenue Fund (HURF)

PURPOSE:

Award bid for Fiscal Year 2018-2019 Chip Seal Program in accordance with City Code § 3.10.030.1.5, Formal Purchases. (Project No. SM580C)

BACKGROUND:

Lake Havasu City maintains its roadways with standard maintenance practices, including the chip sealing of roadways as a primary preventative and restorative measure.

Three bids were submitted. This year's bid recommendation is to award the base bid, and all alternatives 1, 2, and 3. This will refresh approximately 7% of the community's roadways at a frequency of once per fourteen years based on the current prices.

The per square yard price of the chip seal, including a third sweep is \$1.85 per square yard, up from \$1.40 per square yard in Fiscal Year (FY) 2017-18 and \$1.43 per square yard in FY 2016-17. The base bid, and all alternatives 1, 2, and 3 total \$1,117,501.

Approximately 603,628 square yards of pavement will be treated, which is equivalent to 28 miles of roadway. Fluctuation in rising oil costs and the rising costs associated with private contractors, the per square yard price of chip seal has increased and ultimately reduced the amount of streets we can cover each year. In addition, decreased the frequency rate we are able to treat them from nine years to 14 years at the present cost.

COMMUNITY IMPACT:

Chip seal is the most cost effective manner to maintain our community's roadways. By using this method for the majority of our roadways, the City is able to afford limited alternative treatments on a select few roadways. By contracting out this work, the City maximizes the efficiency and effectiveness of our community's resources. This work will address approximately 7% of the City's roadway assets.

FISCAL IMPACT:

Sufficient funds are available in the FY 2018-19 HURF budget (Street Repair Contractual Services Account 221.5110.403.4306, and 110.3220.401.4306) to perform the work.

ATTACHMENTS:

Bid Tab
Street List

SUGGESTED MOTION:

I move to award the bid for the base bid and alternatives 1, 2 and 3 for Fiscal Year 2018-2019 Chip Seal Program to Cholla Pavement Maintenance, Inc. for \$1,117,501.