

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION**

Date: May 26, 2016

SUBJECT: Annual Chip Seal Maintenance Program

SUBMITTING DEPARTMENT: Public Works

PREPARED BY: Alex Romero, Public Works Operations Manager, for
Norm Davis, PE, Public Works Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: a) Contract

SUMMARY BACKGROUND: The Public Works Department budgets yearly for Highway Users Revenue Funds (HURF) received from gas tax dollars to maintain the Town of Prescott Valley Streets. Chip seal application is one of the maintenance treatments used to maintain the life cycle of paved streets. An initial funding level of \$2.0 million dollars per year from the half-cent sales tax initiated in January 2016 has been allocated for enhanced street maintenance. Staff has prepared a plan for FY '16/17 budget year identifying streets for chip seal application. Per specification, chip seal application workmanship and performance is best applied between the summer dates of June 1st to August 31st.



The proposed FY 16/17 Public Works budget has \$2,000,000.00 for the chip seal maintenance program. Bids were received on May 2, 2016 with the following results:

Table 1

Rank	Bidder	Totals
1st	Earth Resources Corporation	\$1,099,059.44
2nd	Cactus Asphalt	\$1,178,161.40
3rd	Cholla Pavement Maintenance	\$1,286,684.54
4th	Asphalt Paving & Supply	\$1,299,834.52

OPTIONS ANALYSIS: The Council may choose to:

- a.) Award the 2016/2017 contract to the lowest responsive for the total bid amount of \$1,099,059.44 to Earth Resources Corporation, **OR**
- b.) Do not award the contract

ACTION OPTION: Motion to award the construction contract for the Fiscal Year 2016/2017 annual Chip Seal program to Earth Resources Corporation in the total bid amount of up to **\$1,099,059.44, OR** Motion to reject all bids. **VOTE.**

RECOMMENDATION: Staff recommends awarding the contract to the low bidder, Earth Resources Corporation, in the bid amount of \$1,099,059.44.

FISCAL ANALYSIS: The proposed budget for FY 16/17 is shown in table 2 below:

Table 2

2016/2017 Chip Seal Maintenance Program		HURF
HTE Code: 202-5510-631.43-71		Finance Proj. # N/A
FISCAL YEAR 2016/2017	Adjusted Budget Amount: \$2,000,000.00 Expended & Encumbered: \$0.00 Construction Contract: <u>(\$1,099,059.44)</u> this action Balance: \$900,940.56	FISCAL YEAR 2016/2017

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved
 Denied
 Tabled/Deferred
 Assigned to _____