

STAFF REPORT

City Council Consent Item

DATE: February 5, 2024

TO: Honorable Mayor and Council Members

FROM: Brendan Byrd, Director of Public Works/City Engineer

SUBJECT: **Approval of a Contract with Mercer-Fraser Company for a Minor Street Paving Maintenance and Repair Project; *Resolution 2024-02***

STAFF RECOMMENDATION:

Adopt Resolution 2024-02 approving a Contract for Minor Street Paving Maintenance and Repair Project with Mercer-Fraser Company.

EXECUTIVE SUMMARY:

The purpose of the Minor Street Maintenance and Repair Project (“Contract”) is to contract with a qualified paving company to provide routine minor repairs and maintenance for City streets on an on-call basis, for an amount not to exceed \$900,000.00 (nine hundred thousand dollars) for a one-year term.

Section 2.50.070.D of the Fortuna Municipal Code provides that formal bidding is not required when the City Council finds that a negotiated contract best serves the City due to the nature of the service. A standard public bidding process would not be appropriate for this Contract due to the on-call nature and the importance of selecting a contractor who has the qualifications, equipment, crew, and availability to respond promptly to requests and to perform the work expeditiously, economically, effectively and safely.

Three paving contractors were requested to provide informal proposals. Two of the three contractors responded. After reviewing the proposed unit pricing, staff recommends that the City contract with Mercer-Fraser Company, which has been identified as the most cost-effective and qualified.

The work will consist of the removal and replacement of hot-mix asphalt at various locations in the City. The locations will be determined and task orders issued, as paving needs arise throughout the year.

FINANCIAL IMPACT:

The Contract is not to exceed \$900,000.00 (nine hundred thousand dollars) during the one-year term unless authorized in writing. The actual cost will depend on how much work is required during the one-year term.

Of the \$900,000, approximately \$530,000 is available funding currently in this year’s budget. The remaining \$370,000 is unspent money from last fiscal year that could be requested by staff as a

budget rollover if this year’s projects require additional funding. It should be noted that the unspent funding from last year was not due to lack of need, but rather staff and the contractors could not complete all of the planned work during the contract period. Below is a chart outlining City funding sources.

City Fund	FY 23-24 Budget Amount	FY 22-23 Possible Rollover Amount
101 (Measure E)	\$ 125,000	
260 (TDA Non-Transit)	\$ 85,000	\$ 80,000
275 (RSTP)	\$ 50,000	\$ 150,000
290 (RMRA SB1)	\$ 270,000	\$ 140,000
TOTAL	\$ 530,000	\$ 370,000

RECOMMENDED COUNCIL ACTION:

1. Adopt Resolution 2024-02 by Consent Agenda vote.

Attachments:

- *Resolution 2024-02 A Resolution of the City Council of the City of Fortuna Approving the Contract for Minor Street Paving Maintenance and Repair Project with Mercer Fraser Company*
- *Bid Summary Sheet*