

STAFF REPORT
City of Lancaster

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Date: August 14, 2012

To: Mayor Parris and City Council Members

From: Robert C. Neal, Director of Public Works

Subject: **Award of Bid - Public Works Construction Project No. 12-009
2012 Pavement Preservation Re-HEAT Asphalt Project**

Recommendation:

Award Public Works Construction Project No. 12-009, Pavement Preservation Re-HEAT Asphalt Project, to Gallagher Asphalt of Thornton, IL, in the amount of \$1,164,543.20 plus a 5% contingency. Authorize the City Manager, or his designee, to sign all documents.

Award contract on sole source basis.

Fiscal Impact:

\$1,222,770.36 (including 5% contingency); with this action sufficient funds are available in Capital Improvements Budget Account Nos. 206-12ST028-924, 209-12ST028-924, 210-12ST028-924, 232-12ST028-924. There are no additional maintenance costs associated with this project.

Background:

In response to the current economic climate, rising construction costs, increased traffic, and aging roadways, the Public Works Department has evaluated new, cost efficient and environmentally responsible alternatives to conventional paving methods. Re-HEAT (recycled hot emulsified asphalt treatment) was identified to fit the bill. Re-HEAT is a revolutionary process, that will reduce costs by 30%, reduce our carbon footprint by 63%, preclude the need for new asphalt, greatly reduce construction traffic and return traffic to treated roads quicker than a traditional mill and overlay process. The City of Lancaster will be the first to implement this technology in California.

As part of the Pavement Preservation Program, this project is designed to repair and resurface Avenue I from Division Street to Challenger Way, Avenue J from 10th Street West to 20th Street West, 15th Street West from Lancaster Boulevard to Avenue J, Fern Avenue from Avenue I to Lancaster Boulevard and the southerly Avenue I frontage road from 15th Street West to 20th Street West with a Reconstituted (Re-HEAT) asphalt pavement surface, and new pavement striping and markings. The new traffic striping will provide for the installation of new bike lanes on Avenue I and 15th Street West conforming to the recently adopted Master Plan of Trails and Bikeways.

This contract is exempt from competitive bidding under the sole source doctrine. The sole source doctrine states that competitive bidding is not required where a product or service is unique, and therefore a competitive bidding process would fail to produce an advantage to the City. Here, the ReHEAT process to be used is unique and Gallagher Asphalt is the only contractor capable of the process that is willing to perform in California at this time. Therefore, this contract meets the requirements of the sole source exemption to competitive bidding.

SC:tl