

TO: Andrew P. Powers, City Manager

FROM: Clifford G. Finley, Public Works Director

DATE: June 20, 2023

SUBJECT: 2024 Pavement Overlay (CI 5594) and Slurry (MI 2610) Programs

RECOMMENDATION:

1. Adopt resolution approving a preliminary list of streets that will be funded in part with FY 2022-23 SB1 Road Maintenance and Rehabilitation Account revenue for construction of the 2024 Pavement Overlay Program (CI 5594).
2. Approve Professional Services Agreement with Pavement Engineering Inc. (PEI), (Santa Clarita, CA) in an amount not-to-exceed \$244,927, plus extra services of \$25,073 to provide engineering design services, for the 2024 Pavement Overlay (CI 5594) and Slurry Program (MI 2610), with a term ending June 30, 2025.
3. Approve budget appropriation and expenditures in the amount of \$270,000 including: \$189,150 (\$171,427 engineering design services, \$17,723 extra services) from A/C #135-0000-311-1000 (Gas Tax Fund, Fund Balance) to A/C #135-5310-631-8300, (CI 5594, Pavement Overlay Program), and \$80,850 (\$73,500, engineering design services, \$7,350 extra services) from A/C #132-0000-311-1000 (Gas Tax Fund, Fund Balance) to A/C #132-5310-631-5500 (MI 2610, Pavement Slurry Program).
4. Find that this action is not a project as defined under the California Environmental Quality Act.

FINANCIAL IMPACT:

\$270,000 Increase to FY 2022-23 Gas Tax Budget. The City is expected to receive an estimated \$3.7 million in Road Maintenance and Rehabilitation Program (RMRP) revenue in FY 2023-24. The total estimated 2024 Pavement Overlay and Slurry Program cost is \$15,950,000 and will be funded primarily from Gas Tax, Transportation Development Act (TDA), and Road Maintenance and Rehabilitation Account (RMRA) revenue. \$15.5 million is included in the Adopted FY 2023-25 Capital Budget for the 2024

Pavement Overlay and Slurry Program. Additional funding for construction, depending on the result of the bids, may be requested at the time of construction contract award.

BACKGROUND:

The City is responsible for maintaining approximately 380 miles of streets valued at over \$700 million. Performing regular maintenance through pavement repairs, sealing, resurfacing, and overlay programs is critical to maintaining those streets.

Staff has completed the preliminary design (in-house) for the 2024 Pavement Program and has established a list of streets and proposed pavement rehabilitation and preservation treatments. The proposed 2024 Pavement Overlay and Slurry Program preliminarily includes 6.0 miles of pavement overlay on arterial streets, 9.4 miles of overlay on collector and residential streets, 5.6 miles of micro-surfacing on collector streets, 34.4 miles of slurry seal primarily on residential streets, as well as the installation and modification of approximately 110 curb ramps to comply with Americans with Disabilities Act (ADA) requirements (Attachment #1).

Based on the type of pavement maintenance treatments, these programs will be split into two different contracts: the 2024 Pavement Overlay Program to include overlay, micro-surfacing, curb ramps, and pavement repairs (CI 5594 and CI 5595), and the 2024 Pavement Slurry Program for applying slurry treatments on residential streets (MI 2610).

The Road Repair and Accountability Act of 2017 (SB 1) established the RMRA to address deferred maintenance on the state highway and local street and road systems. SB 1 requires that funds be used for road maintenance, safety projects, pedestrian and bicycle safety projects, transportation facilities, and drainage projects. The RMRA is funded by a gasoline excise tax, a diesel excise tax, vehicle registration surcharges, and zero-emission vehicle registration surcharges.

RMRA revenue is split 50/50 between state highway and local street and road projects. SB 1 appropriates the RMRA revenue to cities and counties using the same formula based on registered vehicles and total road mileage. The City's share of RMRA revenue in 2017 was approximately \$2.2 million, which has increased to an estimated \$3.1 million in FY 2022-23. SB 1 requires each agency to file a list of projects to be funded with RMRA revenues annually with the State Controller's Office. The list of projects to be funded by FY 2022-23 RMRA is due to the California Transportation Commission (CTC) by July 1, 2023.

DISCUSSION/ANALYSIS:

Staff is in the process of finalizing the project design including plans, specifications, and estimates for bidding purposes and requires assistance from a civil engineering firm to verify the proposed pavement treatments, prepare striping plans and technical specifications, and provide design support during the bidding and construction stages. Staff is performing more in-house tasks for the 2024 Pavement Program compared to the previous pavement programs. Such tasks include conducting field survey of curb ramps, assessing pavement repair needs, georeferencing, marking in the repair areas in field, mapping, and preparing cost estimates for the repair areas.

In accordance with Government Code section 4526 and Thousand Oaks Municipal Code section 3-10.401, on April 21, 2023, the City publicly advertised a formal Request for Proposals/Qualifications (RFP/Q) for engineering professional services in connection with 2024 Pavement Overlay (CI 5594) and Slurry Program (MI 2610). The RFP/Q was published in the Thousand Oaks Acorn newspaper and on the City's e-procurement website.

Unlike the low bid requirements of the Public Contract Code, contracts for professional, management, general or special services should only be awarded to firms or persons who have demonstrated an adequate level of experience, competence, training, credentials, resources, staffing, and other professional qualifications necessary for more than a satisfactory performance of the services solicited. The award of an RFP/Q is based upon a variety of factors that demonstrate best value to the agency for the solicited scope of service. The cost of the service may be considered as one of those factors; however, the lowest cost is not the sole factor in deciding who will be awarded the contract.

On May 12, 2023, the City received three proposals as follows:

Name	Location
1. Pavement Engineering, Inc. (PEI)	Santa Clarita, CA
2. Nichols Consulting Engineers, CHTD. (NCE)	Fountain Valley, CA
3. Willdan Engineering	Industry, CA

Staff evaluated each proposal for content, qualifications, and quality. PEI was selected to provide pavement engineering and design services, based on:

1. Experience with program materials and qualifications.
2. Key personnel experience with similar projects.
3. Knowledge of scope and project approach; and
4. Best overall qualifications and proposal.

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Staff recommends City Council approve the Professional Services Agreement with PEI for a not-to-exceed amount of \$244,927 plus extra services of \$25,073 (Attachment #2). These costs are significantly less than the cost of design services for the 2022 Paving Program because of in-house tasks performed by staff.

2024 Pavement Program Estimated Cost	
Design and Support Services (This Action)	\$ 270,000
Monument Preservation (Future)	\$ 600,000
Testing and Inspection Services (Future)	\$ 800,000
Pavement Overlay Construction (Future)	\$11,180,000
Pavement Slurry Construction (Future)	\$ 1,900,000
Contingency	\$ 1,200,000
TOTAL	\$15,950,000

Following the completion of the final design, staff will return to City Council for authorization to bid the project in Fall 2023.

The following is a preliminary project schedule:

Complete Design	Fall 2023
Bid Process and Award	Winter 2024
Construction	Spring 2024 to Fall 2024

In addition, staff recommends City Council adopt a resolution (Attachment #3) approving the preliminary list of streets that will be funded in part with RMRA revenues for the construction of the 2024 Pavement Overlay Program (CI 5594).

Prior to passage of SB 1, the City received approximately \$1.7 million in gas tax revenue annually. With the passage of SB 1 together with the ability of the City to use TDA revenue for streets and roads and increases in gas tax revenue, the City is expected to receive \$7.2 million in FY 2023-24, with \$7.0 million available for the paving program.

Community Outreach: Staff will develop a comprehensive outreach campaign to keep residents informed and up to date. The outreach plan will include a project logo, slogan, project webpage (www.toaks.org/streets), and a dedicated project phone number (805-449-2487). In addition, staff will notify residents prior to construction using City social media outlets, changeable message signs, and project identification boards. Notices will be distributed to local utilities and HOAs impacted by street closures. Public outreach will continue as work progresses on this project with regular updates sent through all City communication outlets.

This action is not a project as defined under the California Environmental Quality Act because this action will not result in a direct or foreseeable indirect physical change in the environment [14 CCR 15060(c)].

This project meets City Council's Top Ten Priorities #9, "Public Works Infrastructure Investments."

CIP PROJECT PRIORITY (as outlined in proposed FY 2022-23 and FY 2023-24 CIP Program Budget)

Priority Two – Necessary, but not essential, and there could be consequences if deferred.

COUNCIL GOAL COMPLIANCE:

Meets the following City Council goals:

C. Operate City government in a fiscally and managerially responsible and prudent manner to ensure that the City of Thousand Oaks remains one of California's most desirable places to live, work, visit, recreate, and raise a family.

F. Provide and enhance essential infrastructure to ensure that the goals and policies of the Thousand Oaks General Plan are carried out and the City retains its role and reputation as a leader in protecting the environment and preserving limited natural resources.

PREPARED BY: Michelle McCarty, Engineering Associate

Attachments:

- Attachment #1 – 2024 Pavement Overlay and Slurry Program Map
- Attachment #2 – Agreement with Pavement Engineering Inc.
- Attachment #3 – Resolution