



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Director of Public Works

BY: Shannon Sweeney, City Engineer

SUBJECT: 2024 Street Repair Testing and Inspection Contract Amendment

DATE: April 8, 2025

RECOMMENDATION:

Authorize the City Manager to execute an amendment to the existing special testing and inspection Purchase Order (Purchase Order No. 2025112) with Pavement Engineering, Inc.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The original Purchase Order with Pavement Engineering, Inc. (PEI) totaled \$95,195. An increase in compensation of \$10,000 results in a total contract price of \$105,195. \$150,000 was budgeted in Fiscal Year 2024-25 for testing associated with the 2024 Street Repairs Project. Sufficient funds are available for this amendment.

BACKGROUND:

On September 10, 2024, staff issued a request for scope and fee proposals to the five companies listed on the City's on-call list for firms that offer material testing and evaluation, to provide special inspection and testing for the 2024 Streets Repairs Project. Proposals were received from two firms, ranging from \$95,195 to \$154,673. Staff issued a purchase order in the amount of \$95,195 to the low bid, PEI, on December 4, 2024.

ANALYSIS OF ISSUES:

During the course of the project and through the asphalt materials testing process, it was necessary for PEI to perform supplemental testing to confirm satisfactory compaction requirements and specifications, including quality, durability, and performance. This is a common occurrence due to variation in the asphalt plant batch processing.

In addition, the City added two locations to be paved as part of this project using project contingency funding. Plata Road was added to the project due to its close proximity to other street repair work and poor conditions as compared to adjacent streets. Fair Oaks Avenue between Valley Road and California Street was added to accommodate the traffic

Item 9.h.

City Council
2024 Street Repair Testing and Inspection Contract Amendment
April 8, 2025
Page 2

circle to be installed in front of Arroyo Grande High School in April, which is connected to a traffic calming plan for the Traffic Way Bridge Replacement Project. PEI's services are required for special testing and inspection at these additional locations.

This additional work is estimated to cost \$10,000. City staff have determined that this additional expense is necessary and reasonable.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Approve amendment;
2. Reject amendment; or
3. Provide other direction to staff.

ADVANTAGES:

Approving this project budget amendment provides for continued special inspection for repairs on streets that have been added to the 2024 Street Repairs Project, including Plata Road and Fair Oaks Avenue between Valley Road and California Street. This special inspection has been critical in ensuring that the contractor provides adequate compaction of material for long-term structural integrity of the street.

DISADVANTAGES:

None identified.

ENVIRONMENTAL REVIEW:

Approving this amendment is not a project subject to the California Environmental Quality Act ("CEQA") because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.)

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. Proposed Amendment 1
2. PEI Purchase Order