

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Airport	(2) MEETING DATE 8/7/2012	(3) CONTACT/PHONE Richard Howell 781-5205	
(4) SUBJECT Request for extension for public bidding of construction services for improvements of the Runway Safety Area at San Luis Obispo County Regional Airport and grant authority to County Purchasing Agent to award the bid.			
(5) RECOMMENDED ACTION General Services Agency recommends your Board:  1. Approve the request to extend the bid date for construction services at the San Luis Obispo County Regional Airport from July 30, 2012 to August 16, 2012; and 2. Grant authority to the County Purchasing Agent to award the bid which will allow Airport Services to move forward in a timely manner.			
(6) FUNDING SOURCE(S) Airport Enterprise Fund	(7) CURRENT YEAR FINANCIAL IMPACT \$100,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY  <input type="checkbox"/> N/A Date 7/10/12, 6/17/11, 5/17/11	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) District 3 -			

# County of San Luis Obispo



TO: Additions, subtractions and corrections to the Board of Superviso

FROM: Airport / Richard Howell  
781-5205

DATE: 8/7/2012

SUBJECT: Request for extension for public bidding of construction services for improvements of the Runway Safety Area at San Luis Obispo County Regional Airport and grant authority to County Purchasing Agent to award the bid.

## **RECOMMENDATION**

General Services Agency recommends your Board:

1. Approve the request to extend the bid date for construction services at the San Luis Obispo County Regional Airport from July 30, 2012 to August 16, 2012; and
2. Grant authority to the County Purchasing Agent to award the bid which will allow Airport Services to move forward in a timely manner.

## **DISCUSSION**

In May of 2011 your Board created the capital project to improve the Runway Safety Area at the San Luis Obispo County Regional Airport. This project was the result of changes to Federal Aviation Administration (FAA) safety regulations and standards, an FAA write-up during the Airport's Annual FAA Certification Inspection, and meetings with the FAA Airport District Office (ADO) in San Francisco. The project called for the elimination of a non-standard aligned taxiway between the edge of the main runway, (11/29), and the threshold of runway 25 by removing the pavement associated with the taxiway. By mutual agreement, Airport Services and the FAA agreed the safest approach to correcting the aligned taxiway issue was to remove the pavements between the two runways that created the problem. The project also called for the installation of surface painted/mounted hold signs as well as enhanced taxiway centerlines leading to runways. The intent of the changes by the FAA were to increase situational awareness of pilots as they approach or exit runways thereby improving overall safety and minimizing the potential for incidents or accidents.

The FAA identified January 2012 as the deadline to remove the aligned taxiway and April 2012 as the deadline to install the new markings. Airport Services intended to perform all of the work in 2011 using annual Airport Improvement Program (AIP) entitlement funding from FAA. For a variety of reasons, not the least being the FAA shutdown in the fall of 2011, planning for the project was delayed and grant funding was not obtained. Airport Services made an incremental improvement to the aligned taxiway issue by removing and repainting markings in the area in January 2012 with the ultimate intent to remove the pavement associated with the taxiway as planned. The FAA Reauthorization Bill was passed earlier this year and in a meeting with the Airport in April 2012, the FAA again expressed its desire to participate in the project as originally planned in 2011 using this year's airport entitlement funds.

On July 10, 2012 your Board authorized public bidding for this project with an opening date of July 30, 2012. After the start of the bid process, the FAA ADO notified Airport Services that it would not contribute funding for the project because the pavement removal work had not been identified on the SBP Airport Layout Plan (ALP). As a result, Airport Services modified the scope of work specified in the invitation to bid by deleting the work associated with the pavement removal.

Airport Services issued an Addendum extending the bid opening date from July 30, 2012 to August 16, 2012, which is permitted under Public Contract Code section 4104.5. The Addendum also reflects the reductions to the scope of work. Airport Services requests that your Board approve the extension of the bid opening date and changes to the scope of work, consistent with Public Contract Code section 4104.5. This will keep the project moving forward which minimizes potential penalties from the FAA due to delay.

With this late change Airport Services was unable to distribute the necessary addendum prior to the 72 hour cutoff as outlined in the Public Contract Code necessitating an extension in the bid date. Based on recommendation from County Counsel, an addendum was issued extending the bid date to August 16<sup>th</sup> at 3:00 PM. Your Board's approval of this extension is required to avoid further delay of this project and potential penalties from the FAA.

Due to the reduction in scope of work associated with this project the overall cost of the project has also been reduced. The reduced costs to install the required marking's are estimated to fall within the limits of the County's established informal bid process. This process allows for projects to be awarded through the County Purchasing Agent. Due to time constraints associated with this project, General Services Agency requests your Board delegate authority to the County Purchasing Agent or her designee to award a construction contract to the successful low bidder. Upon award of the construction contract, work will be scheduled for completion as quickly as possible to satisfy FAA safety requirements.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has provided recommendations based on the substantial changes to the project following the initiation of the public bidding process.

### **FINANCIAL CONSIDERATIONS**

The original project cost estimate, prior to the FAA rescinding their participation, was \$310,723. The estimate included all design, administrative, and construction costs. Airport Services has been forced to eliminate a significant portion of the project, specifically the removal of pavement. The reduction in the scope of work has reduced the anticipated project cost to approximately \$100,000. As no grant will be available this work will be funded from the Airport Enterprise Fund capital improvement program. The work is FAA eligible and Airport Services will submit a reimbursement for these costs in a future Airport Improvement Program grant.

At the time the project Airports-SLO-Runway Safety Area Improvements #330016 was created your Board authorized a budget adjustment request in the amount of \$32,680 as initial funding. Upon completion of the bid, General Services Agency will return to your board to submit an additional budget adjustment request to fund the remaining portion of the project costs

### **RESULTS**

Approval of the extended bidding date and authority for the County Purchasing Agent to award the project will allow Airport Services to move forward in continuing to maintain compliance with FAA regulation. The project will improve the safety of operations at the regional airport and enhance our Safe Community goal.

### **ATTACHMENTS**