

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 7/10/06		Item Number: <u>C-9</u>	
AGENDA ITEM: Consideration of Adopting a Resolution Authorizing Submittal of an Application and Designating an Agent to Sign Documents Related to the Participation in the Targeted Rubberized Asphalt Concrete Incentive Grant Program			
Contact Person/Dept.: Lee Torres/Public Works		Phone Number: 310.253.5623	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒	Attachments: ☒
Public Notification: Master Notification List via email on July 5 th .			
Department Approval: Charles D. Herbertson (06/28/06)		CAO Approval: Martin R. Cole for Jerry B. Fulwood (07/05/06)	
City Controller Approval: Marlee Chang (07/05/06)			

RECOMMENDATION:

Staff recommends the City Council adopt a resolution authorizing submittal of an application and designating the Chief Administrative Officer to sign documents relating to the participation in the Targeted Rubberized Asphalt Concrete (RAC) Incentive Grant Program to obtain financial assistance to fund the differential cost for utilizing rubberized asphalt concrete versus conventional asphalt concrete on capital improvement projects.

BACKGROUND:

The California Integrated Waste Management Board (CIWMB) receives an annual appropriation from the California Tire Recycling Management Fund to administer the Tire Recycling Act (Senate Bill 937, Vuich, Statutes of 1990, Chapter 35) and related legislation. As part of the Tire Recycling Act, the CIWMB is offering the Targeted RAC Grant Program to encourage the use of waste tire rubber and to assist in the development of markets for products manufactured from California waste tires. By this means, it creates the diversion of waste tires from landfill disposal.

The proposed funding allocation from the Tire Fund for Fiscal Year 2006/2007 is in the amount of \$2,182,818 statewide. The Targeted RAC Incentive Grant Program has made available a maximum of \$150,000 for eligible projects.

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The Targeted RAC Grant Program is a competitive incentive grant with eligible projects that meet a minimum use of three thousand five hundred (3,500) tons of rubberized asphalt concrete. The grant funds are paid on a reimbursement basis based on the differential cost of rubberized asphalt concrete versus conventional asphalt concrete and the cost incurred for Quality Assurance/Quality Control (QA/QC) testing. The program mostly awards grants to agencies that have never used rubberized asphalt on street projects. Culver City has used rubberized asphalt on portions of the following streets; Jefferson Boulevard in 2000, Overland Avenue in 2001, and Washington Boulevard, in 2004. However, there is still a chance of receiving a grant as historically the program does not receive applications from many agencies.

DISCUSSION:

Staff is proposing to submit an application for the Targeted RAC Incentive Grant Program for the following projects:

- Washington Boulevard Resurfacing Project, P-843
- Residential Overlay Project, P-863

The total tonnage of rubberized asphalt concrete designed for the above projects is estimated at 3,940 tons (1,225 tons P-843; 2,715 tons P-863). Staff decided to combine the two related projects in order to meet grant program minimum requirement for tonnage of rubberized asphalt.

Based on the historical cost, the unit cost per ton in place with respect to the proposed quantity of conventional asphalt concrete and asphalt rubber are \$80/ ton and \$95/ ton, respectively. The QA/QC testing for the said projects is estimated at \$20,000. Therefore, the total requested grant amount is \$79,000

The combined project is currently being advertised for bids with the scheduled bid opening of July 13, 2006. Construction of said projects is anticipated in September, 2006.

FISCAL ANALYSIS:

The construction budget for the Washington Boulevard Resurfacing Project, P-843 and the Residential Overlay Project, P-863 is as follows,

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Washington Boulevard Resurfacing Project, P-843	
Funding Source	Amount
Redevelopment Agency	\$515,405
Total =	\$515,405

Residential Overlay Project, P-863	
Funding Source	Amount
General Funds	\$525,000
Total =	\$525,000

The requested grant amount of \$79,000 can supplement the existing project's budgets and alleviate the impact of the escalating construction material and labor costs.

ATTACHMENTS:

- Draft Resolution Authorizing the Grant Application and Designating the City's Agent.

MOTIONS:

That the City Council:

Adopt a Resolution authorizing submittal of an application and designating the Chief Administrative Officer as the City's authorized agent to sign documents related to the participation in the Targeted Rubberized Asphalt Concrete (RAC) Incentive Grant Program.