

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

CANCEL CONTRACT BETWEEN THE TOWN OF APPLE VALLEY AND COOLEY CONSTRUCTION AND AUTHORIZE STAFF TO RE-ADVERTISE THE TRAFFIC SIGNAL AT INTERSECTION OF BEAR VALLEY ROAD AND DEEP CREEK ROAD PROJECT

Summary Statement:

On August 5, 2010, the Town received and opened bids for the Traffic Signal at intersection of Bear Valley Road and Deep Creek Road Project. This project includes providing necessary labor, equipment and materials for the construction of a traffic signal and intersection improvements, including widening of Deep Creek Road. On September 14, 2010, the Town Council awarded the contract for the project to Cooley Construction Co. Inc., the lowest, responsible bidder in the amount of \$175,380.15.

Concurrently, staff applied for State, Proposition 1B funding for this project. In November 2011, when Cooley Construction was going to start constructing the project, the Town received notification that the California Transportation Commission (CTC) awarded the Town (one of only a few California cities) funds from Proposition 1B for the project. In January, the Town attempted to obligate the funds in order to commence construction; however, staff was notified that the project would be ineligible for funding if the project was already advertised prior to the CTC obligation of funds. As a result, staff contacted Cooley Construction and explained that the Town would lose \$92,000 if the Town didn't re-advertise the project once the Prop. 1B funds were obligated at the CTC meeting on March 17, 2010. Cooley understood the Town's predicament and consented to staff's recommendation that the Town cancel the contract and re-advertise the project.

Recommended Action:

Cancel Contract between the Town of Apple Valley and Cooley Construction and authorize staff to re-advertise the Traffic Signal at Intersection of Bear Valley Road and Deep Creek Road Project.

Proposed by: **Engineering Division** _____ **Item Number** _____

T. M. Approval: _____ **Budgeted Item** **Yes** **No** **N/A**