

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
CITY OF OAKLAND

2005 MAY 12 PM 1:59

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: May 24, 2005

RE: RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CONSTRUCTION CONTRACT WITH MCGUIRE & HESTER FOR THE RESURFACING OF CERTAIN STREETS IN THE CITY OF OAKLAND FOR FISCAL YEAR 2003-2004 (PROJECT NUMBER C234930) BY \$581,882.99, FOR A TOTAL CONTRACT AMOUNT OF \$5,100,000.00.

SUMMARY

A resolution has been prepared authorizing the City Administrator to increase the construction contract limit by \$581,882.99 on the Resurfacing of Certain Streets in the City of Oakland for Fiscal Year 2003-2004 (C239430). In accordance with the project specifications, total contract amount was limited to \$4,518,117.01, which consists of a base contract amount of \$3,928,797.40 plus \$589,319.61 in allowable change orders. With the approval of this resolution, the amount of allowable change orders will be increased by \$581,882.99 to a maximum of \$1,171,202.60 for a revised total contract amount not to exceed \$5,100,000.00.

Attachment A lists the streets that will be resurfaced as part of this contract.

FISCAL IMPACT

This project is funded by an Alameda County Transportation Improvement Act (ACTIA) grant (ACTIA Project No. 16). The total funding available for this project is \$5,278,000.00. The funds are available in the ACTIA Reimbursable Grant Fund, Heavy Paving Organization, 03-04 Rehab Project, Streets and Sidewalks Program (Fund 2214, Organization 92480, Project C234930, Program IN04) for this change order limit increase of \$581,882.99. The City of Oakland may lose the remaining funds if the project is not completed and a request for reimbursement issued to ACTIA by December 30, 2005.

The original engineer's estimate for the project was \$4,439,298.00. The base bid amount for the project was \$3,928,797.40 (\$510,500.60 less than the engineer's estimate). This increase in the change order limit to \$1,171,202.60 or approximately 30% will allow for more streets to be resurfaced as part of this contract. Resurfacing the streets will reduce near term maintenance needs on these streets, allowing maintenance staff to respond to other locations.

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May 24, 2005

BACKGROUND

Resolution No. 78594 C.M.S. awarded this project to McGuire and Hester on June 1, 2004. McGuire and Hester was the lowest bidder and met the project Local / Small Local Business goals. The project includes resurfacing of streets throughout the City of Oakland. The streets to be resurfaced are shown in *Attachment A*. As part of the resurfacing, all curb and gutter, non-ADA compliant curb ramps, and tree-damaged sidewalks are repaired.

The original list of streets to be resurfaced was prepared by staff to create the plans, specifications, and estimate. The engineer's estimate for the original streets was \$4,439,298.00. The bids came in at a competitive price and the lowest bidder was \$510,500.60 under the estimate.

The Notice to Proceed for the project was issued on July 15, 2004, and the total contract duration is 260 working days. In order to stay on schedule and retain the grant funding, the construction work must be complete by July 15, 2005 and the request for reimbursement issued before December 31, 2005.

McGuire and Hester, certified by the City of Oakland, is the prime on this project. Every subcontractor is also certified either by the City of Oakland or by ACTIA. Therefore, 100% of this project is local.

To date, just over \$4.1 million has been spent on this project and the level of local participation remains at 100%.

Given the above, the increase in the total contract amount will not have a negative impact on the contractor's ability to satisfy the ACTIA compliance requirements; in fact, the contractor has already exceeded the original proposed participation.

Attachment B reflects the level of 100% local participation achieved by McGuire & Hester to date.

The project specifications limit the total construction contract change order amount to \$589,319.61 or 15% of the base contract. The change orders to date consist of the rehabilitation of two additional streets (Market Street and La Salle Avenue), additional asphalt work on Shepherd Canyon Road to fix a hazardous driveway condition and to install additional berms to control drainage, grinding and asphalt repairs on 2nd Street to match the new sidewalk, and curb and gutter installed as part of the West Oakland Bay Trail. The total amount of change orders to date is \$468,332.47 (12%). In addition, several streets that have been resurfaced required more asphalt than was estimated. With the exception of the additional work on Shepherd Canyon Road and the additional asphalt used, the change order work to date has been used to complete work on streets not on the original list. The majority of the work that was done on streets not on

the original list was done to either remedy hazardous conditions or to leverage the ACTIA funds for additional grant funding. La Salle Avenue was deleted from a previous resurfacing contract (C17180) because the rehabilitation method needed to be redesigned. It was added to this contract as a change order once the design was finalized.

After the original bid was received at more than \$500,000 under the engineer's estimate, staff had planned to issue a new contract with the remaining grant funding. At the time of award there was over \$1 million remaining in the project budget, which would have been sufficient to create a new slurry seal contract, but because of the change order costs to date, there are no longer sufficient funds for a stand-alone project. The funds would be more effectively spent as an addition to the current contract rather than bid out as a new project.

The change order limit increase will allow the remaining work to be completed, enable the grant funding to be expended by July 2005, and meet the expenditure deadline for the ACTIA grant.

KEY ISSUES AND IMPACTS

Staff is recommending the increase in the change order limit to:

- 1. Stay on schedule for construction and meet the funding deadline of December 31, 2005 -**
The project is currently under construction and timely issuance of the change order work will avoid substantial adverse impacts to the construction schedule and the potential increase in costs to the City. At the beginning of the project, staff anticipated issuing a slurry seal project to expend any remaining grant funding. However, issuing a new contract would take several months to bid and award and the City would not be able to meet the funding expenditure deadline; therefore the City may lose any remaining funding. By increasing the contract limit at this time, construction of the project can continue with minimal disruption and meet the required grant fund expenditure deadlines.
- 2. Take advantage of the competitive prices from the original bid -** Because of the size of the project and the economy of scale, the asphalt prices are lower than for a smaller resurfacing project. In addition, asphalt prices have increased over the past year. If the remaining funds were used to fund a new smaller project, the unit prices are estimated to be higher and fewer streets would be resurfaced than with the use of a change order to increase the spending limit on this contract.

At the outset of the project, staff anticipated that a slurry seal project could be bid out with the remaining funds. However, because of the amount of change order expenditures to date (\$468,332.47) the remaining funds, approximately \$581,882.99, are not enough to create an effective stand-alone street resurfacing project.

PROJECT DESCRIPTION

Approximately 53 lane miles will be resurfaced as part of this contract, including the additional streets that can be resurfaced with the increase in the contract amount. *Attachment A* shows the list of all the streets that will be resurfaced as part of this contract. In addition to the street resurfacing, the damaged curb and gutter, non- ADA compliant curb ramps and tree-damaged sidewalks will be repaired. This project also included the restriping of Foothill Boulevard and Market Street to add new bicycle lanes.

SUSTAINABLE OPPORTUNITIES

Economic: Project work will generate business tax, sales tax and other revenues for the City.

Environmental: New asphalt pavement contains as much as 15% recycled asphalt. This project also uses rubberized asphalt on certain streets. A two inch rubberized asphalt overlay contains approximately 2,000 tires per lane mile. It is estimated that over 35,000 recycled tires will be used for this project.

Social Equity: ACTIA's goals reflect the social equity policies of the City of Oakland whereby the inclusion of small local firms and Oakland residents are afforded access to contracting and employment opportunities. The City uses a pavement management system to determine which streets are candidates for repairs. Resurfacing is based each streets Pavement Condition Index (PCI).

DISABILITY AND SENIOR CITIZEN ACCESS

This project enhances the accessibility for motorists, bicyclists, and pedestrians of all ages and abilities. The repaired streets, sidewalks, and ADA compliant ramps will reduce tripping hazard and improve access for seniors and persons with disabilities.

RECOMMENDATION AND RATIONALE


It is recommended that this resolution be approved in order to fully expend the available funds for street resurfacing in the most efficient manner.

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ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that Council approve the resolution authorizing the City Administrator to increase the construction contract with McGuire & Hester for the Resurfacing of Certain Streets in the City of Oakland for Fiscal Year 2003-2004 (Project Number C234930) by \$581,882.99, for a total contract amount of \$5,100,000.00.

Respectfully submitted,



RAUL GODINEZ II, P.E.

Director, Public Works Agency

Reviewed by:

Michael Neary, P.E., Assistant Director

Public Works Agency

Design and Construction Services

Prepared by:

Elizabeth Sheldon, P.E.

Pavement Management Supervisor

Engineering & Design / ROW

APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE


OFFICE OF THE CITY ADMINISTRATOR

Item: _____
Public Works Committee
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Attachment A

ITEM	STREET	FROM	TO	FUNCTIONAL CLASS	Counc Dist	Width (FT)	Length (FT)	Area (SY)	ADDITIONAL STREET
STREETS COMPLETED TO DATE									
1	12TH AV	E 8TH ST	E 20TH ST	RESIDENTIAL	2	30	2,781	9,270	
2	14TH ST	BROADWAY	OAK ST	ARTERIAL	2	53	2,526	14,875	
3	17TH AV	E 19TH ST	E 24TH ST	RESIDENTIAL	2	44	1,661	8,120	
4	3RD ST	OAK ST	LINDEN ST	ARTERIAL	3	52	6,048	34,944	
5	42ND ST	ML KING WY	CITY LIMIT	COLLECTOR	1	32	2,522	8,967	
6	52ND ST	MARKET ST	WEST ST	ARTERIAL	1	28	1,286	4,001	
7	5TH ST	OAK ST	HARRISON ST	COLLECTOR	3	48	1,509	8,048	
8	82ND AV	MACARTHUR BL	SUNKIST DR	COLLECTOR	6	32	2,145	7,627	
9	BOSTON AV	MACARTHUR BL	BRIDGE	RESIDENTIAL	4	32	573	2,037	
10	BOSTON AV	MACARTHUR BL	EAST END	RESIDENTIAL	4	30	474	1,580	
11	BRUNS CT	LA SALLE AV	NORTH END	RESIDENTIAL	4	20	695	1,544	
12	BULLARD DR	ESTATES DR	ESTATES DR	RESIDENTIAL	4	26	1,814	5,240	
13	COOLIDGE AV	BROOKDALE AV	MACARTHUR BV	COLLECTOR	4 & 5	30	3,001	10,003	
14	DONNA WY	ELYSIAN FIELDS	ELYSIAN FIELDS	RESIDENTIAL	7	36	1,409	5,636	
15	DORAN DR	AITKEN DR	BANNING DR	RESIDENTIAL	4	24	495	1,320	
16	EL DORADO AV	FAIRMOUNT AV	BAYO VISTA AV	RESIDENTIAL	1	36	878	3,512	
17	FOOTHILL BL	35TH AV	HIGH ST	ARTERIAL	5	40	3,544	15,751	
18	FOOTHILL BL	FRUITVALE AV	35TH AV	ARTERIAL	5	40	1,181	5,249	
19	FOOTHILL BL	HIGH ST	55TH AV	ARTERIAL	5 & 6	52	4,831	27,912	
20	FOX HILL CT	PEBBLE BEACH CT	EAST END	RESIDENTIAL	7	26	290	838	
21	GOLF LINKS RD	FONTAINE ST	98TH AV	ARTERIAL	7	24	3,430	9,147	
22	GRASS VALLEY RD	SKYLINE BL	GOLF LINKS RD	ARTERIAL	7	37	2,092	8,600	
23	HADDON RD	PARK BL	HILLGIRT CIR	RESIDENTIAL	2	31	2,657	9,152	
24	HERRIER ST	NORTON AV	VICTOR AV	RESIDENTIAL	4	26	1,220	3,524	
25	HOLLY ST	70TH AV	90TH AV	RESIDENTIAL	6 & 7	31	5,768	19,868	
26	LA SALLE AV	HWY 13	TYSON CR	COLLECTOR	4	27	2,995	8,985	X
27	LAS VEGAS AV	98TH AV	WEST END	RESIDENTIAL	7	30	463	1,543	
28	MARKET ST	W. MACARTHUR	57TH ST	ARTERIAL	1	49	4,860	26,460	X
29	REDWOOD RD	CRESTMONT DR	SKYLINE BL	ARTERIAL	4 & 6	50	2,293	12,739	
30	REDWOOD RD	HWY 13	CRESTMONT DR	ARTERIAL	4 & 6	50	4,053	22,517	
31	SHEPHERD CYN RD	SKYLINE BL	AITKEN DR	COLLECTOR	4	20	1,752	3,893	
32	SONOMA WAY	20TH AV	SOUTH END	RESIDENTIAL	2	14	896	1,394	
33	STEARNS AV	9555 STEARNS AV	BURR ST	RESIDENTIAL	7	18	384	768	
34	VALE AV	BAYO ST	HARBORD VIEW DR	RESIDENTIAL	4	30	1,145	3,817	

Attachment A

ITEM	STREET	FROM	TO	FUNCTIONAL CLASS	Counc Dist	Width (FT)	Length (FT)	Area (SY)	ADDITIONAL STREET
35	WELLINGTON ST	PARK BL	CANNON AV	RESIDENTIAL	5	26	1,577	4,556	
36	WOODLAND PL	BROADWAY TERR	SOUTH END	RESIDENTIAL	1	16	413	734	
STREETS TO BE COMPLETED									
37	29TH ST	HARRISON ST	TELEGRAPH AV	COLLECTOR	3	35	2,642	10,274	
38	41ST ST	42ND ST	TELEGRAPH AV	RESIDENTIAL	1	36	386	1,544	
39	41ST ST	BROADWAY	TELEGRAPH AV	RESIDENTIAL	1	36	2,328	9,312	
40	80TH AVE	END W/O DOWLING	END E/O IDLEWOOD	RESIDENTIAL	6	36	1,326	5,304	X
41	CHELTON DR	ELDERBERRY DR	EXTER DR	COLLECTOR	4	16	696	1,237	
42	COURTLAND AVE	HIGH ST	MELROSE AV	RESIDENTIAL	5	20	345	767	X
43	EDES AV	HEGENBERGER RD	85TH AV	COLLECTOR	7	36	2,542	10,168	
44	LEE ST	GRAND AV	VAN BUREN AV	RESIDENTIAL	3	34	656	2,478	
45	YORK ST	PRINCE ST	MANDANA BL	RESIDENTIAL	2	32	617	2,194	

SUMMARY OF AREA BY COUNCIL DISTRICT	
Council District	Area (Square Yards)
1	54,530
2	45,005
3	55,745
4	55,808
5	45,280
6	54,448
7	46,634
Total	357,451

**LBE/SLBE Participation
Bidder 1**

(Prepared by
Contract Compliance and
Employment Services)

Project Name: Resurfacing of Certain Streets in the City of Oakland for Fiscal Year 2003-2004 (ACTIA)

Project No.: C234930		Engineers Est: 4,439,298.00				Under/Over Engineers Estimate: 293,437.47				For Tracking Only		
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total	S/LBE	Total	TOTAL	Ethn.	Certified	
						LBE/SLBE	Trucking	Trucking	Dollars		MBE	WBE
PRIME	Mcguire & Hester	Oakland	CB	1,487,297.69		1,487,297.69			1,487,297.69	C		
Concrete	Vanguard Construction	Oakland	CB		157,701.00	157,701.00			157,701.00	C		
Concrete	AJW Construction	Oakland	CB		174,162.00	174,162.00			174,162.00	H	\$174,162.00	
Striping	Striping Express	Oakland	CB		121,842.00	121,842.00			121,842.00	AA	\$121,842.00	
Raise Utilities	Union City Construction	Fremont	CB		18,765.00	18,765.00			18,765.00	C		
Asphalt	Dutra Materials	San Rafael	CB	1,673,309.84		1,673,309.84			1,673,309.84	C		
Trucking	Monroe's Trucking	Oakland	CB		512,783.00	512,783.00	512,783.00	512,783.00	512,783.00	AA	\$512,783.00	
Project Totals				3,160,607.53	985,253.00	4,145,860.53	512,783.00	512,783.00	4,145,860.53		\$808,787.00	\$0.00
				76.24%	23.76%	100.00%	100.00%					
Requirements: The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				LBE 10%	SLBE 10%	TRUCKING 20%	LBE/SLBE 20%			Ethnicity AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed		
Legend				LBE = Local Business Enterprise		UB = Uncertified Business						
				SLBE = Small Local Business Enterprise		CB = Certified Business						
				Total LBE/SLBE = All Certified Local and Small Local Businesses		MBE = Minority Business Enterprise						
				NPLBE = NonProfit Local Business Enterprise		WBE = Women Business Enterprise						
				NPSLBE = NonProfit Small Local Business Enterprise								

B. P. [Signature]

OAKLAND CITY COUNCIL
RESOLUTION No. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER _____

Requires two-thirds vote of the Council

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CONSTRUCTION CONTRACT WITH MCGUIRE & HESTER FOR THE RESURFACING OF CERTAIN STREETS IN THE CITY OF OAKLAND FOR FISCAL YEAR 2003-2004 (PROJECT NUMBER C234930) BY \$581,882.99, FOR A TOTAL CONTRACT AMOUNT OF \$5,100,000.00.

WHEREAS, on June 1, 2004, City Council approved Resolution No. 78594 CMS awarding the construction contract for the Resurfacing of Certain Streets in the City of Oakland for Fiscal Year 2003-2004 to McGuire and Hester in the amount of \$3,928,797.40; and

WHEREAS, to date to construction contract change orders total \$468,332.47 bringing the total amount of the contract to \$4,397,129.87; and

WHEREAS, the City of Oakland desires to issue a change order to the contract for said project in excess of the authorized contract amount, which may be approved by the City Administrator or her designee pursuant to the Standard Specification for Public Works Construction and the City of Oakland's Project Specifications, Section 3-2; and

WHEREAS, an increase to the change order limit in the amount of \$581,882.99 will allow the City to complete the resurfacing of the original list of streets and resurface additional streets as part of this project on schedule and to meet grant funding deadlines; and

WHEREAS, funds are appropriated and available for this project in ACTIA Reimbursable Grants, Heavy Paving, Street Rehab 03-04 Project, Streets and Sidewalks Program (Fund 2214, Organization 32480, Project C234930, Program IN04); and

WHEREAS, the City lacks the equipment and qualified personnel to perform the necessary repairs; and

WHEREAS, the City Council finds and determines that the performance of this contract is in the public interest because of safety and economy; and

WHEREAS, the performance of the services by contract is in the public interest because of economy or performance, and shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: That the City Council hereby designates the City Administrator or her designee the authority to increase the construction contract with McGuire & Hester for the

Resurfacing of Certain Streets in the City of Oakland for Fiscal Year 2003-3004 (Project Number C234930) by \$581,882.99, for a total contract amount of \$5,100,000.00.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LATONDA SIMMONS
Interim City Clerk and Interim Clerk of the Council
of the City of Oakland, California