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OAKLAND

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**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: March 22, 2005

RE: **RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CONSTRUCTION CONTRACT WITH VANGUARD CONSTRUCTION FOR THE WEST OAKLAND BAY TRAIL BY SEVENTY THOUSAND ONE HUNDRED SEVENTY-ONE DOLLARS (\$70,171) TO COVER ADDITIONAL CHANGE ORDER WORK, FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED SIX HUNDRED SIXTY-NINE THOUSAND AND SEVENTY-SIX DOLLARS (\$669,076)**

SUMMARY

A resolution has been prepared authorizing the City Administrator to increase the construction contract limit by \$70,171 on the construction contract with Vanguard Construction for the West Oakland Bay Trail project (Project #G134010). In accordance with the project specifications, the construction contract with Vanguard was limited to a total of \$598,905, which consists of a base contract of \$479,124.44 and \$119,780.56 in allowable change orders. With approval of this resolution, the amount of allowable change orders will be increased by \$70,171 to a maximum of \$189,951.56 for a revised total contract amount not-to-exceed \$669,076.

The contract increase will cover the costs for relocating tree wells that conflict with utilities, additional sidewalk and curb ramp construction, additional landscaping, providing steel rail posts for historic signage, and a small contingency for unanticipated change orders needed to complete the project.

The project is consistent with Mayoral and Council goals to "Maintain and Enhance Oakland's Physical Assets," by providing for clean, well-maintained and accessible streets and sidewalks and to "Improve Oakland's neighborhoods" by improving bicycle and pedestrian safety. The project is located in Council District 3.

Item : _____
Public Works Committee
March 22, 2005

FISCAL IMPACT

There is no impact to the General Fund. There are sufficient funds to complete the project in Organization Code (92242) available through combined grant and Measure B funds totaling \$669,076, as shown below.

Fund	Project	Amount
FY TDA (Fund 2162)	G134020	\$100,000
Measure B (Fund 2210)	G134040	\$285,000
MCI for Hazardous Material (Fund 5500)	C181210	\$94,761
ABAG Bay Trail Grant	G181710	\$189,315
Total		\$669,076

These funds are available and appropriated for construction of the West Oakland Bay Trail and removal of tracks and associated hazardous materials.

It is critical that the project move forward to retain grant funding. Failure to complete this project by the June 30, 2005, expenditure deadline would result in the loss of \$250,000 in Bay Trail Funds and \$389,000 in Transportation Development Act (TDA) funds (Projects G13410 and G134020), as well as other project grant funds. Since the design and a substantial portion of the construction has already been completed, the City would need to identify alternative funding sources to cover the costs incurred to date and to complete the project.

BACKGROUND

Resolution No. 78563 C.M.S. awarded the West Oakland Bay Trail project to Vanguard Construction on April 27, 2004. Vanguard was the lowest bidder and also met the project's 20% Local and Small Local Business (L/SLBE) requirements. The project features include new sidewalk, ADA-compliant ramps, roadway resurfacing, bicycle lanes, trees, and historic markers on 2nd and 3rd Streets from Broadway to Union.

Construction on this project began in July 2004, and was scheduled for completion by September 2004. During construction, an additional set of abandoned railroad ties on 3rd Street between Brush and Union Streets was discovered. This required removal of the buried ties, excavation and disposal of the contaminated material, regrading and construction of surface drainage improvements as well as construction of sidewalk. The work was unforeseen until excavation revealed additional buried track. Of the total change orders, \$71,800 was needed for excavation and removal of railroad tracks beyond the original scope of work.

The project specifications limited the total construction contract amount to \$598,905, which consisted of a base contract of \$479,124.44 and \$119,780.56 (25%) in allowable change orders. The change orders to date consist of extra sidewalk, concrete cross walk, curb ramps, drainage

Item: _____
Public Works Committee
March 22, 2005

Deborah Edgerly

PWA/Transportation Services Division – Increase Contract Limit for Vanguard Const. Page 3 of 5

gutter, landscaping and irrigation work, tree planting, pavement grinding and overlay, PG&E gate replacement, and excavation and disposal of railroad tracks and unclassified fill. Normally, a 25% allowance for change orders is more than adequate to cover unforeseen extra work; but, the removal of the railroad tracks was such an expensive item (\$71,800 out of a \$119,780.56 allowance) that now there is the need to increase the change order allowance.

Upon approval of this resolution, the amount of allowable change orders will be increased by \$70,171 to a maximum of \$189,951.56 (40%). The total contract amount will be for an amount not-to-exceed \$669,076. The increase of \$70,171 will cover underground utility conflicts with tree wells (\$15,171), additional ADA-compliant curb ramps (\$15,000), additional landscaping work (\$5,000), contingency for other potential, unanticipated change orders (\$15,000), and steel rail posts for historic markers (\$20,000). The steel rails were originally to be supplied by the Port of Oakland from salvage; however, the available supply of salvaged rail was found to be damaged and not suitable for re-use.

The change order limit increase of \$70,171 will allow for project completion by mid-May 2005. The remaining work needed to complete the project includes slurry seal of the roadway, striping of bicycle lanes and installation of bike route and Bay Trail signage. The slurry seal and bike lane striping could not be completed until the rail track was removed and sidewalk and drainage improvements constructed, which took until September to complete. Slurry seal cannot be performed during the rainy season, which has delayed the project completion until this spring. The project is now ready to proceed to completion, scheduled for June 2005.

Based on the original contract amount of \$479,124.44, Vanguard Construction had L/SLBE participation of \$397,466.44 (82%), which exceeded the City's 20% requirement. The L/SLBE information was verified by the Contract Compliance and Employment Services Division of the City Administrator's Office. With the change order of \$70,171, Vanguard will have an L/SLBE participation of \$427,466.44 (77.82 %), continuing to exceed the City's 20% requirement. The L/SLBE evaluation by Contract Compliance and Employment Services Division is included as Attachment A.

KEY ISSUES AND IMPACTS

The project is currently under construction, and timely issuance of change order work will avoid substantial adverse impacts to the construction schedule and the potential increase in costs to the City. 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.

The change order work will require an extension of allowable working days. The project will be scheduled for completion by May 16, 2005, well in advance of the Bay Trail grant funding deadline of June 30, 2005.

Item: _____
Public Works Committee
March 22, 2005

PROJECT DESCRIPTION

The Project will construct a 1.5 mile segment of the West Oakland Bay Trail from Broadway to Mandela Parkway, connecting with the Embarcadero Bay Trail to the East and with the Mandela Parkway Bay Trail extension to the North. The project area encompasses 2nd Street from Broadway to Brush, Brush from 2nd to 3rd Street, and 3rd to Union. The project includes Class II and III bicycle facilities, signage, curb and gutter segments, sidewalks, and trees. The project also installs five historic markers on 2nd Street, 3rd Street and Mandela Parkway between Broadway and Emeryville.

This project will enhance intermodal bicycle and pedestrian connections with the West Oakland BART Station, the Alameda/Oakland Ferry Service, and the C. L. Dellums Amtrak Station. It will also intersect with the Class III route (City route #125) from the Clay Street Ferry Terminal to 12th Street/City Center.

SUSTAINABLE OPPORTUNITIES

Economic: Project work will generate business tax, sales tax and other revenues for the City. Neighborhood commerce will also be enhanced.

Environmental: The project takes advantage of West Oakland's flat terrain to create a direct walking and bicycling connection to the West Oakland BART Station and the Alameda/Oakland Ferry Service, extending from Broadway to the City of Emeryville. The project also ties into the Embarcadero Bay Trail project, providing direct access to the Dellums Amtrak Station. By encouraging multimodal travel options, the project will help reduce the area's air pollution.

The project uses recycled steel rails for the construction of five historic markers. Provisions are made in the specifications for use of reclaimed asphalt concrete. The contract uses recyclable construction materials to the extent feasible, and the contractor is required to recycle construction debris.

Social Equity: The project uses the services of the East Bay Conservation Corps to plant trees in the project limits. The Corps trains low-income youth to perform a variety of landscaping jobs, providing opportunity for Oakland youth to learn work habits and prepare themselves for adult life. When completed, the project will encourage bicycling and walking to transit and for other purposes, as low-cost alternatives to driving alone.

DISABILITY AND SENIOR CITIZEN ACCESS

The project will enhance accessibility, aesthetics, and safety for bicyclists and pedestrians of all ages and abilities. The new sidewalk, sidewalk repairs, and ADA-compliant ramps will reduce tripping hazards and improve access to the West Oakland BART Station for seniors and persons

Item: _____
Public Works Committee
March 22, 2005

Deborah Edgerly

PWA/Transportation Services Division – Increase Contract Limit for Vanguard Const. Page 5 of 5

with disabilities. The bicycle lanes will provide a buffer along the side of the street, which can be used by persons with disabilities to access parked vehicles.

RECOMMENDATION AND RATIONALE

It is recommended that this resolution be approved so that change orders can be executed as soon as possible, in order to complete the West Oakland Bay Trail and retain project funding.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that Council approve the resolution authorizing the the City Administrator to increase the construction contract with Vanguard Construction for the West Oakland Bay Trail project (Project #G134010) by \$70,171 to cover additional change order work, for a total contract amount not-to-exceed \$669,076.

Respectfully submitted,



RAUL GODINEZ II, P.E.

Director, Public Works Agency

Reviewed by:

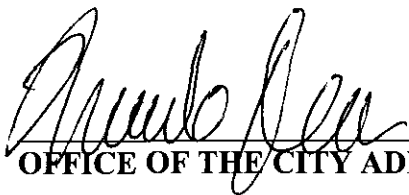
Michael Neary, P.E.

Assistant Director

Prepared by:

Kathryn Hughes, Bike/Ped. Program Manager

APPROVED AND FORWARDED TO
THE PUBLIC WORKS COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR

Item: _____
Public Works Committee
March 22, 2005

**Contract Compliance and
Employment Services Division
Office of the City Manager**

Memorandum

Date: March 8, 2005
From: Deborah Barnes, Manager, Contract Compliance & Employment Services *DB.*
To: Gwen McCormick , PWA Contract Administration Supervisor
Regarding: The Construction of West Oakland Bay Trail Along 3rd St. (from Union St. to Bush St.) and 2nd St. (from Brush St. to Broadway)

Contract Compliance & Employment Services reviewed the change order for the above referenced project and listed our analysis below:

Company Name	LBE	SLBE	Total
Vanguard Construction	0%	77.82%	77.82%

Vanguard Construction has maintained the 20% requirement.

CC: Attachments

Contract Compliance and Employment Services Evaluation Form

Project No.: G134010

Project Name: The Construction of West Oakland Bay Trail along 3rd St. (from Union St. to Bush St.)
and 2nd St. (from Brush St. to Broadway)

Contractor: Vanguard Construction

Engineer's Estimate: 534,151.00

Contractor's bid amount: 549,295.44

Over/Under the Engineers Estimate: -15,144.44

Bid discounted amount: \$521,830.67 **Discount Points:**

1. Did the 20% requirements apply? **YES**

2. Did the contractor meet the 20% requirement? **YES**

a)	% of LBE	<u>0.00%</u>
b)	% of SLBE	<u>77.82%</u>

3. Did the contractor meet the Trucking requirement? **N/A**

a)	% of Local Trucking	<u>0.00%</u>
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4. Did the contractor received bid discount points? **NO**
(If yes, list the points received) **0%**

5. Additional Comments.
This is an change order amendment, no discount points given.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **3/8/2005**

Reviewing Officer: *A. M. [Signature]*

Date: 3/8/05

Approved By: *Deborah [Signature]*

Date: 3/8/05

LBE/SLBE Participation Bidder 1

Project Name: The Construction of West Oakland Bay Trail along 3rd St. (from Union St. to Bush St.) and 2nd St. (from Brush St. to Broadway)

Project No.: G134010		Engineers Estimate: 534,151.00			Under/Over Engineers Estimate: -15,144.44						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Change Order	TOTAL LBE/SLBE	TOTAL Dollars	For Tracking Only		
									Ethn.	MBE	WBE
PRIME Signs & Striping	Vanguard Construction Chrisp Co.	Oakland Fremont	CB		397,466.44	30,000.00	427,466.44	427,466.44			
			UB			20,000.00		76,718.00			
Slurry Seal Landscape	Bond Blacktop RMT Landscape Contractors	Union City San Leandro	UB			20,171.00		13,440.00			
			UB						31,671.00		
Project Totals				0.00	397,466.44	70,171.00	427,466.44	549,295.44		0%	0%
				0.0%	77.82%		77.82%				
Bid Discounts on percentage over the 20% requirement	20% requirement achievement points		2%					\$521,830.67	Ethnicity AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other		
	10% over 20% requirement		3%								
	20% over 20% requirement		4%								
	30% over 20% requirement		5%	57.82%							
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 firms can only be counted up to 10% of the total contract amount.				LBE 10% MAX CREDIT		SLBE 10% MAX CREDIT		TRUCKING 20%		LBE 5% MAX CREDIT	
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							

OAKLAND CITY COUNCIL OFFICE OF THE CITY CLERK
 RESOLUTION No. _____ C.M.S. OAKLAND

FILED
 2005 MAR 10 PM 1:51
Rocio V. [Signature]

INTRODUCED BY COUNCILMEMBER _____

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CONSTRUCTION CONTRACT WITH VANGUARD CONSTRUCTION FOR THE WEST OAKLAND BAY TRAIL BY SEVENTY THOUSAND ONE HUNDRED SEVENTY-ONE DOLLARS (\$70,171) TO COVER ADDITIONAL CHANGE ORDER WORK, FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED SIX HUNDRED SIXTY-NINE THOUSAND AND SEVENTY-SIX DOLLARS (\$669,076)

WHEREAS, on April 27, 2004, the City Council approved resolution No. 78563 C.M.S. awarding the construction contract for the West Oakland Bay Trail to Vanguard Construction, in an amount not-to-exceed \$598,905; and

WHEREAS, to date, construction contingency funds have been allocated to pay the cost of allowable construction change orders in the amount of \$119,780.56, bringing the total contract amount to \$598,905; 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 his/her designee pursuant to the Standard Specifications 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 \$70,171 will allow the City to issue a change order to the contract for said project in order to complete construction on schedule and to meet grant funding deadlines; and

WHEREAS, funds are available to bring the total contract amount to \$669,076, as shown herein: and

Fund	Project	Amount
FY TDA (Fund 2162)	G134020	\$100,000
Measure B (Fund 2210)	G134040	\$285,000
MCI for Hazardous Material (Fund 5500)	C181210	\$94,761
ABAG Bay Trail Grant	G181710	\$189,315
Total		\$669,076

WHEREAS, said funds are available and appropriated for the West Oakland Bay Trail project; and

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

WHEREAS, the City Council finds and determines that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive services; now, therefore, be it

RESOLVED: That the City Council hereby designates the City Administrator or his/her designee the authority to increase the construction contract with Vanguard Construction for the West Oakland Bay Trail by \$70,171 to cover additional change order work, for a total contract amount not-to-exceed \$669,076.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20__

PASSED 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