

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OF OAKLAND
2005 JUN -2 PM 3:03

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: June 14, 2005

RE: **RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CHANGE ORDER LIMIT BY \$222,926.00 ON THE CONSTRUCTION CONTRACT WITH GRANITE CONSTRUCTION FOR THE ACORN-PRESCOTT NEIGHBORHOOD IMPROVEMENTS PHASE 2 PROJECT (PROJECT NO. P131620) FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,780,039.00**

SUMMARY

A resolution has been prepared to authorize the City Administrator, or her designee, to increase the change order limit on the construction contract with Granite Construction for the Acorn-Prescott Neighborhood Improvements Phase 2 Project (Project No. P131620). In accordance with the project specifications, the construction contract with Granite Construction ("Contractor") limits the total construction contract to \$1,557,113.00, which consists of a base contract of \$1,297,594.00 and \$259,519.00 in allowable change orders. With approval of this resolution, the amount of allowable change orders will be increased to a maximum of \$482,445.00 for a revised total contract amount not to exceed \$1,780,039.00.

Changes to the project include an increase in the replacement quantities of concrete sidewalk, curb, and gutter that were in poor condition, modifications to the existing sidewalk widths, and added traffic striping and signage. In addition, the Contractor encountered unforeseen site conditions, utility conflicts, and abandoned facilities that required additional work to remove, and incurred extended overhead costs. The change order limit increase is required to execute all remaining change orders and to close out the project.

Funding to cover the change order costs is available from various grant funds - Metropolitan Transportation Commission, Congestion Management Agency, and Bay Area Air Quality Management District - that are specifically allocated and available to this project.

The project is consistent with the Mayoral and Council Objectives to "**Maintain and Enhance Oakland's Physical Assets**" by repairing and maintaining the City's infrastructure, and to "**Improve Oakland's Neighborhoods**" by enhancing the streetscape and improving vehicular, pedestrian and bicycle access. The project is located in Council District 3.

FISCAL IMPACT

Approval of this resolution will increase the change order limit on the contract with Granite Construction for the Acorn-Prescott Phase 2 Project. The original construction contract to

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Granite Construction is for \$1,297,594.00. Project specifications limit change orders to \$259,519.00 (20% of the original contract amount) for a not-to-exceed contract amount of \$1,557,113.00. The anticipated net total of all executed and pending change orders is approximately \$482,445.00. Therefore, another \$222,926.00 in change order allowance is necessary to execute all remaining change orders and to close out the project. The revised total not-to-exceed contract amount is \$1,780,039.00.

Funds are available to cover the pending change orders. \$175,000.00 is available from the Metropolitan Transportation Commission's Transportation for Livable Communities grant (Fund 2163, Project No. P131620); \$104,000.00 is available from the Alameda County Congestion Management Agency's Congestion Mitigation and Air Quality grant (Fund 2116, Project No. G205710); and \$1,000.00 is available from the Bay Area Air Quality Management District's Transportation Fund for Clean Air fund (Fund 2166, Project No. G205730).

BACKGROUND

Resolution No. 77856 C.M.S. awarded the Acorn-Prescott Neighborhood Improvements Phase 2 Project to Granite Construction on June 3, 2003. The work includes sidewalk repairs and accent paving at crosswalks; new bulb-outs at major intersections; street trees; ADA ramp improvements; bike lanes; restriping for two-way traffic on 8th St; and improved lighting for pedestrians. The project area encompasses 8th Street from Mandela Parkway to Willow Street, and Center Street from 7th to 8th Streets.

The funding source for this Federal-aid project required the implementation of a disadvantaged business enterprise (DBE) program instead of the City's local programs. For the original contract, the Contract Compliance and Employment Services Division determined that the project had a DBE participation goal of 15%. Granite Construction and its subcontractor team met the goal with a DBE participation of 18%. With the additional work resulting from the change orders, it is anticipated that Granite's DBE participation will remain at approximately 18%. (See Attachment A)

KEY ISSUES AND IMPACTS

After the start of construction, additional work was required as follows:

1. Additional new sidewalks, curbs, and gutters were constructed due to the poor conditions of existing sidewalks, curbs, and gutters in the vicinity of the project area.
2. Numerous unforeseen utility conflicts were encountered during the storm drainage construction.
3. During trenching operations, the contractor was required to remove unforeseen abandoned light pole foundations throughout the project area.

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4. Some of the existing catch basins that were intended to remain, were discovered to be in poor condition and not salvageable. The Contractor replaced these catch basins at an extra cost to the project.
5. In two locations, the existing sidewalk was not wide enough to accommodate the new trees and new light poles. New tree grates were added to the project and the light poles were relocated in order to meet ADA sidewalk width requirements.
6. In order to change 8th Street from a one-way street to a two-way street, extra striping and signage was necessary beyond the contract area.
7. Some of the actual material quantities, on which basis the contractor is paid, exceeded the initial bid estimate quantities on the Bid Schedule.
8. Three bulb-out intersections were modified to provide improved storm drainage.
9. Extended Contractor overhead costs were incurred due to delays involving utilities, unforeseen conditions, and other added work.

The anticipated net total of all executed and pending change orders is approximately \$482,445.00. Project specifications limit the allowable change order total to \$259,519.00. Therefore, another \$222,926.00 in change order allowance is necessary to execute all remaining change orders and to close out the project. Approval of this resolution will authorize the City Administrator, or her designee, to negotiate and to execute all remaining change orders and to close out the project by August 2005.

SUSTAINABLE OPPORTUNITIES

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

Environmental: The additional work will promote pedestrian safety, enhance pedestrian and bicycling amenities and encourage alternate modes of transportation in the Acorn-Prescott Phase 2 district, which contributes to alleviating automobile congestion and emissions. Drip irrigation will be used for the new landscaping and street trees. Provisions are made for the use of reclaimed asphalt concrete in the specifications. The contractor will be required to use recyclable construction materials to the extent feasible and is required to recycle construction debris.

Social Equity: The proposed project will help improve the overall living conditions for the Acorn-Prescott Phase 2 neighborhood residents, including individuals who depend on alternative modes of transportation by enhancing the accessibility and safety of vehicular, bus, pedestrian and bicycle facilities.

DISABILITY AND SENIOR CITIZEN ACCESS

The project will enhance accessibility, aesthetics, and safety for pedestrians of all ages and abilities. In particular, the sidewalk repairs will reduce tripping hazards and ADA ramp improvements will enhance disabled access. The bulb-outs will reduce pedestrian crossing times. All streetscape improvements will comply with the Americans with Disabilities Act (ADA) and current accessibility codes.

RECOMMENDATION (S) AND RATIONALE

It is recommended that the City Administrator, or her designee, be authorized to increase the change order limit by \$222,926 on the construction contract with Granite Construction for the Acorn-Prescott Neighborhood Improvements Phase 2 Project. Approval of this resolution will authorize staff to negotiate and execute all remaining change orders and to close out the project.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,



RAUL GODINEZ II, P.E.

Director, Public Works Agency

Reviewed by:

Michael Neary, P.E.

Assistant Director, Public Works Agency

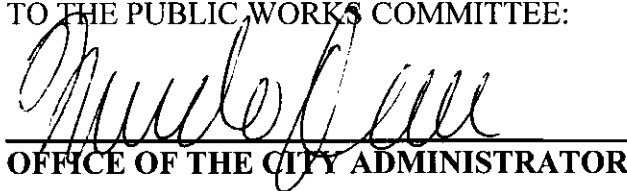
Design & Construction Services Department

Prepared by:

Calvin Hao, AIA, CIP Coordinator

Project Delivery Division

APPROVED AND FORWARDED
TO THE PUBLIC WORKS COMMITTEE:


OFFICE OF THE CITY ADMINISTRATOR

OFFICE OF THE CITY ADMINISTRATOR
 Contract Compliance & Employment Services Division

Memo

To: Danny Lau - Supervising Civil Engineer
From: Dasco Munoz - Contract Compliance Officer
Through: Deborah Barnes, CC&ES Manager *Deborah Barnes*
Date: May 31, 2005
Re: Acorn Prescott Neighborhood Improvement Phase 2

Contract Compliance & Employment Services reviewed Granite Construction's year to date participation of DBEs for the project referenced above. Below is the summary of our compliance evaluation. This project was assigned a fifteen percent (15%) DBE goal.

Company Name	Contract Paid to Date	Total DBE Participation	EBO Compliant ? Y/N
Granite Construction	\$1,486,822.02	18.17%	N

As noted above, this firm exceeded the 15% DBE goal.

Should you have any questions you may contact me at 238-3970

cc: Contract Compliance File

DBE Participation Bidder 1

Project Name: Acorn-Prescott Neighborhood Improvements Project, Phase 2

Project No.: P131620		Engineers Est: 1,284,280.00		Under/Over Engineers Estimate: 202,542.02				For Tracking Only - Self Reported			
Discipline	Prime & Subs	Location	Cert. Status	Total DBE	DBE Trucking	Total Trucking	TOTAL Dollars				Ethn.
PRIME	Granite Construction	Watsonville	UB				839,297.93	NL			
Electrical	Ray's Electric	Oakland	UB				249,193.14	C			
Grinder	ABSL	Hayward	CB	3,050.00			3,050.00	NL	\$3,050.00		
Landscaping	Shooter & Butts	Pleasanton	UB				95,829.17	NL			
Signs	Schotka Construction	American Canyon	CB	8,750.00			8,750.00	NL	\$8,750.00		
Striping	Chrisp Company	Fremont	UB				32,373.00	NL			
Concrete	AJW	Oakland	CB	220,816.78			220,816.78	H	\$220,816.78		
Trucking	T. A. Rose Transportation	San Ramon	CB	37,512.00	37,512.00	37,512.00	37,512.00	NL	\$37,512.00		
Project Totals							270,128.78		\$270,128.78	\$0.00	
				18.17%	100.00%	100.00%					
				DBE Goal 15%							
Legend				CB- Certified DBE Business UB- Uncertified Business				Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			

ATTACHMENT A

OAKLAND CITY COUNCIL

FILED
OFFICE OF THE CITY CLERK
OAKLAND



RESOLUTION No. _____

C.M.S.

2005 JUN -2 PM 3:03

INTRODUCED BY COUNCILMEMBER _____

Requires the two-thirds vote of the Council

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CHANGE ORDER LIMIT BY \$222,926.00 ON THE CONSTRUCTION CONTRACT WITH GRANITE CONSTRUCTION FOR THE ACORN-PRESCOTT NEIGHBORHOOD IMPROVEMENTS PHASE 2 PROJECT (PROJECT NO. P131620) FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,780,039.00

WHEREAS, the City Council approved Resolution No. 77856 C.M.S. on June 3, 2003, awarding a construction contract for the Acorn-Prescott Neighborhood Improvements Phase 2 Project (Project No. P131620) to Granite Construction for \$1,297,594.00; and

WHEREAS, the project specifications limit the cumulative increase to this construction contract to \$259,519.00 and any spending above this limit requires approval of the Council; and

WHEREAS, in order to negotiate and execute all remaining change orders to close out the project, an increase to the change order limit by \$222,926.00 is necessary; and

WHEREAS, funds are available from the Metropolitan Transportation Commission's Transportation for Livable Communities grant (Fund 2163, Project No. P131620); the Alameda County Congestion Management Agency's Congestion Mitigation and Air Quality grant (Fund 2116, Project No. G205710); and the Bay Area Air Quality Management District's Transportation Fund for Clean Air fund (Fund 2166, Project No. G205730); and

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

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

WHEREAS, the City Council finds that services under this contract will be temporary; and

WHEREAS, the City Council finds and determines that the performance of this contract 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 Administrator, or her designee, is authorized to increase the change order limit by \$222,926.00 on the construction contract for the Acorn-Prescott Neighborhood Improvements Phase 2 Project with Granite Construction; and be it

FURTHER RESOLVED: That the contract shall be reviewed and approved by the City Attorney and placed on file in the Office of the City Clerk; and be it

FURTHER RESOLVED: That the approval of this Resolution requires a two-thirds vote of the Council members.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2005

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California