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OAKLAND

2014 JUL 10 PM 12:32

AGENDA REPORT

TO: HENRY L. GARDNER
INTERIM CITY ADMINISTRATOR

FROM: Brooke A. Levin
Director, OPW

SUBJECT: Traffic Signal Installations and
Modifications

DATE: June 30, 2014

City Administrator
Approval

Date

7/7/14

COUNCIL DISTRICT: 2, 3, 4, 5, 6, 7

RECOMMENDATION

Staff recommends that the City Council adopt a resolution waiving advertising and competitive bidding and increasing the change order limit amount for the contract with Bay Area Lightworks for construction of Traffic Signal Installations and Modifications (Project No. C313710), from twenty percent (20%) to twenty-three percent (23%) of the original contract amount, for a total amount not-to-exceed One Million Six Thousand Six Hundred Thirty-One Dollars and Thirty-Three Cents (\$1,006,631.33).

OUTCOME

Approval of this resolution will authorize the City Administrator to execute change orders for changes in scope of work for up to 23% of the original contract with Bay Area Lightworks for the Traffic Signal Installation and Modification project, for a total contract amount of \$1,006,631.33. The action will allow the project to complete all work in the most cost effective manner.

Additional funding for this cost increase is available in Local Measure B; Traffic Signal Management Program (C427910); Fund (2211); Public Works Department, Transportation Services Division, Organization (92246); Signal and Safety Devices (57412); Program (NB33).

BACKGROUND/LEGISLATIVE HISTORY

On December 20, 2011, the City Council approved Resolution No. 83667 C.M.S. and authorized the City Administrator or her designee to negotiate and purchase the necessary construction services and materials on the open market. Subsequently, a construction contract was negotiated and awarded to Bay Area Lightworks in the amount of Eight Hundred Eighteen Thousand Two Hundred Seventy-Six Dollars and Eleven Cents (\$818,276.11).

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The scope of work consists of the installation of new traffic signal at three intersections: Fruitvale Avenue/School Street, Foothill Boulevard/34th Avenue, and High Street/Porter Street. The project also includes modifications of existing traffic signals at three other intersections: Foothill Boulevard/Coolidge Ave, San Leandro Street/Seminary Avenue, and Webster Street/12th Street.

The original contract included authority for twenty percent (20%) of the approved contract amount in change orders totaling \$163,655.22 to address potential:

- Cost escalation
- Additional work required to resolve conflicts between existing utilities and new traffic signal equipment
- Additional PG&E service requirements for traffic signal equipment
- Additional traffic control during construction

On February 26, 2013, Bay Area Lightworks submitted a claim of \$51,988.88 on cost incurred as a result of delay due to unforeseen site conditions. Although the plans showed the approximate locations of known utilities, when excavation took place, some were found to be in conflict with the proposed locations of traffic signal equipment and conduits. In order to resolve the conflicts, plans needed to be revised and new materials procured, resulting in delays. During the period of inactivity, the contractor was still required to maintain traffic control and site safety, which accrued the additional costs. Staff negotiated settlement from the original request of \$51,988.00 down to \$20,500.00 which represents 2.50% of the original contract. An additional 0.50% will allow an additional \$4,200.00 for contingencies to close out the project.

ANALYSIS

The contract allows contingency work up to twenty percent (20%) of the original contracted amount. The adoption of the Resolution authorizes up to twenty-three percent (23%) of the original contract amount. This will allow the City to successfully complete all project work in the most cost efficient manner.

Section 2.04.050.A of the Oakland Municipal Code (OMC) requires the City to conduct advertising and bidding and award to the lowest responsible, responsive bidder for the purchase of goods and services. An OMC section 2.04.050.I.5 authorizes the Council to waive these requirements upon a finding that it is in the best interest of the City to do so. Staff recommends that the City Council find and determine that it is in the best interests of the City to waive these purchasing processes in order to settle the contractor's claim for delays on the project, instead of going through costly and time-consuming claims or litigation process.

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PUBLIC OUTREACH/INTEREST

Not applicable.

COORDINATION

This Agenda Report was coordinated with the City Attorney Office and Budget Office.

COST SUMMARY/IMPLICATIONS

Approval of this resolution will authorize the City Administrator to execute change orders up to 23% of the original construction contract with Bay Area Lightworks for a total contract amount not-to-exceed \$1,006,631.33.

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

COST ELEMENTS	AMOUNT
Contractor Negotiated Price (awarded by City Council)	\$818,276.11
Authorized Change Orders to date (20.00%)	\$163,655.22
Claim Settlement (2.50%)	\$20,500.00
Contingency (0.50%)	\$4,200.00
TOTAL CONSTRUCTION COST	\$1,006,631.33

2. SOURCE OF FUNDING:

FUNDS AVAILABLE IN:	AMOUNT
Funding for this increase is available in Local Measure B; Traffic Signal Management Program (C427910); Fund (2211); Public Works Department, Transportation Services Division, Organization (92246); Signal and Safety Devices (57412); Program (NB33) in the amount of (\$24,700.00).	\$24,700.00

3. FISCAL IMPACT:

Approval of this resolution will authorize the City Administrator to execute change orders up to 23% of the original construction contract amount with Bay Area Lightworks for the Traffic Signal Installations and Modifications Project for a total contract amount not-to-exceed \$1,006,631.33.

SUSTAINABLE OPPORTUNITIES

Economic: This project enhanced traffic safety, pedestrian safety, and ADA access at all project sites, and helps local merchants to attract more businesses.

Environmental: The contractor was required to follow City requirements on environmental preservation including Best Management Practices on storm water runoff during construction.

Social Equity: The installation of curb ramps enhances accessibility and mobility for pedestrians and the disabled.

CEQA

The purpose of the project was to improve safety and mobility of pedestrians, disabled, bicycles and vehicles. The scope of work included installing traffic signals at three intersections and modifications of existing signals at three other intersections. The project had no significant environmental impacts.

For questions regarding this report, please contact Wladimir Wlassowsky, Transportation Services Division Manager at (510) 238-6383.

Respectfully submitted,



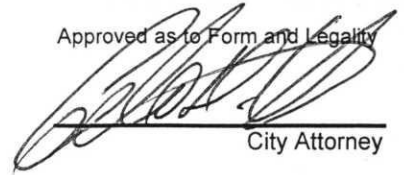
BROOKE A. LEVIN
Director, Oakland Public Works

Reviewed by:
Michael Neary, P.E., Assistant Director,
OPW, Bureau of Engineering and Construction

Reviewed by:
Wladimir Wlassowsky, P.E., Division Manager
Transportation Services Division

Prepared by:
Ade Oluwasogo, P.E., Supervising Transportation Engineer
Transportation Services Division

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City Attorney

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OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION WAIVING ADVERTISING AND COMPETITIVE BIDDING AND INCREASING THE CHANGE ORDER LIMIT AMOUNT FOR THE CONTRACT WITH BAY AREA LIGHTWORKS FOR CONSTRUCTION OF TRAFFIC SIGNAL INSTALLATIONS AND MODIFICATIONS (PROJECT NO. C313710), FROM TWENTY PERCENT (20%) TO TWENTY-THREE PERCENT (23%) OF THE ORIGINAL CONTRACT AMOUNT, FOR A TOTAL AMOUNT NOT-TO-EXCEED ONE MILLION SIX THOUSAND SIX HUNDRED THIRTY-ONE DOLLARS AND THIRTY-THREE CENTS (\$1,006,631.33)

WHEREAS, the City of Oakland used Capital Improvement Program, Local Measure B to fund the Traffic Signal Installations and Modifications (Project No. C313710); and

WHEREAS, a contract for construction of the project was awarded to Bay Area Lightworks on March 6, 2012 in the amount of Eight Hundred Eighteen Thousand Dollars Two Hundred Seventy-Six Dollars and Eleven Cents (\$818,276.11) and executed in accordance with Resolution No. 83667 C.M.S.; and

WHEREAS, construction has been completed by Bay Area Lightworks; and

WHEREAS, as a result of changes due to unforeseen field conditions, additional change order capacity is needed to finalize project costs and successfully close the project; and

WHEREAS, the City lacks the equipment and qualified personnel to perform the necessary work, and the performance of this contract is in the public interest because of economy or better performance; and

WHEREAS, the original contract included authority to increase the approved contract amount by twenty percent (20%) for change orders totaling \$163,655.22 to address cost escalation, additional work required to resolve conflicts between utilities and new traffic signal equipment, additional PG&E service requirements, and for additional traffic control; and

WHEREAS, sufficient funding is available to cover the increase in the change order limit to twenty-three percent (23%), to settle a claim with the contractor for unanticipated delays, in the following account:

- Local Measure B; Traffic Signal Management Program (C427910); Fund (2211); Public Works Department, Transportation Services Division, Organization (92246); Signal and Safety Devices (57412); Program (NB33) in the amount of (\$24,700.00).

WHEREAS, the City Council finds and determines that the performance of this additional work shall not result in the loss of employment or salary by any person having permanent status in the competitive services; and

WHEREAS, Section 2.04.050.I.5 of the Oakland Municipal Code (the "OMC") authorizes the City Council to waive the advertising and competitive bidding requirements of Section 2.04.050 upon a finding and determination that it is in the best interests of the City to do so; and

WHEREAS, it is in the best interests of the City to waive these purchasing processes in order to resolve the contractor's claim for delays on the project, instead of going through costly and time-consuming claims or litigation process; Now, therefore, be it

RESOLVED: That the City Council hereby finds and determines that pursuant to OMC Section 2.04.050.I.5, that it is in the best interests of the City to waive the advertising and competitive bidding requirements of the OMC and increase the amount of the contract with Bay Area Lightworks for construction of Traffic Signal Installations and Modifications (Project No. C313710) for a total amount not-to-exceed One Million Six Thousand Six Hundred Thirty-One Dollars and Thirty-Three Cents (\$1,006,631.33), in order to finalize the contract and settle a contractor claim; and be it

FURTHER RESOLVED: that the claim settlement, reviewed by the Director, or her designee, are hereby approved; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator, or his designee, to increase the change order limit amount for the contract with Bay Area Lightworks for construction of Traffic Signal Installations and Modifications (Project No. C313710) from twenty percent (20%) to twenty-three percent (23%) of the original contract amount, for a total amount not-to-exceed One Million Four Thousand Eight Hundred Thirty-One Dollars and Thirty-Three Cents (\$1,006,631.33)

IN COUNCIL, OAKLAND, CALIFORNIA, _____.

PASSED BY THE FOLLOWING VOTE:

AYES - KALB, GIBSON McELHANEY, SCHAAF, GALLO, BROOKS, REID, KAPLAN, and
PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

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