



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Fred Kelley,
Director, Oakland
Department of
Transportation

SUBJECT: 14th Street Safe Routes in the City
Construction Contract Award

DATE: May 26, 2023

City Administrator Approval


Jestin Johnson (Jun 15, 2023 15:33 PDT)

Date: Jun 15, 2023

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Awarding A Construction Contract To McGuire & Hester For The 14th Street Safe Routes In The City Project, Project No. 1003959, The Lowest, Responsible, And Responsive Bidder In Accordance With Project Plans, Specifications, State Requirements, And With Contractor's Bid In The Amount Of Fifteen Million, Five Hundred Seventy-Five Thousand Sixty-Three Dollars (\$15,575,063.00); And Adopting Appropriate California Environmental Quality Act (CEQA) Findings.

EXECUTIVE SUMMARY

Approval of this resolution will authorize the City Administrator to execute a construction contract in the amount of fifteen million, five hundred seventy-five thousand sixty-three dollars (\$15,575,063.00) with McGuire & Hester, the lowest, responsible, responsive bidder, for the 14th Street Safe Routes in the City Project, Project No. 1003959, to construct pedestrian, bicycle, transit and vehicular traffic safety improvements on 14th Street between West Street and Lakeside Drive. Project improvements include physically separated bicycle lanes, protected intersections, pedestrian crossings improvements, bus boarding islands, curb extensions, curb ramps, landscaping, lighting improvements and traffic signal improvements.

Approval of the resolution will also authorize the City Administrator to adopt appropriate California Environmental Quality Act (CEQA) findings.

BACKGROUND / LEGISLATIVE HISTORY

14th Street was first identified as a priority bike route in the 2007 Bicycle Master Plan, and the 2014 Lake Merritt Station Area Plan further called for bicycle, pedestrian, and transit improvements to 14th Street corridor in Downtown Oakland. In 2016, the City Council adopted the Capital Improvement Program for fiscal year (FY) 2017-2019 which included the 14th Street Safe Routes in the City Project (the Project). The 2019 Let's Bike Oakland Bike Plan reaffirmed

the importance of 14th Street in the City's Bikeway Network, calling for protected bike lanes on 14th Street through Downtown Oakland (Resolution No. 87808 C.M.S). Environmental clearance and conceptual plan were completed in 2019. Final design, right of way certification and funding allocation was completed in the summer of 2022.

The Project will remove one lane of traffic in each direction to construct physically separated bicycle lanes, protected intersections, pedestrian crossings improvements, bus boarding islands, curb extensions, curb ramps, street furniture, landscaping, lighting improvements, and traffic signal improvements. The Project is 1 mile long with the majority of the project in District 3 except between Madison Street and Lakeside Drive which is in District 2. The Oakland City Council approved the Project and the Project Parking Management Plan on June 21, 2022 (Resolution No. 89263 C.M.S., included as **Attachment A**).

The City applied for a received multiple federal and state grant funds for this Project. In August 2018, the City Council authorized the acceptance and appropriation of \$10,578,000.00 in Active Transportation Program (ATP) grant funds (Resolution No. 87373 C.M.S.). Of the total amount accepted, \$9,343,000.00 of the grant funds will be used to fund the construction contract, and the remainder will be used to fund staff costs.

In May 2021, the City Council authorized the acceptance and appropriation of \$1,000,000.00 in Safe And Seamless Mobility Quick Strike funds from the Metropolitan Transportation Commission (MTC) (Resolution No. 88616 C.M.S.). Of the total amount accepted, \$59,727.00 of the grant will be used to fund the construction contract, and the remainder will be used to fund staff costs.

In June 2021, the City Council authorized the acceptance and appropriation of \$30,000,000.00 in Affordable Housing and Sustainable Communities (AHSC) grant funds from the California Department of Housing and Community Development (Resolution No. 88668 C.M.S.). From this grant, \$1,244,244.00 in Sustainable Transportation Infrastructure (STI) funds and \$200,000.00 in Transportation Related Amenities (TRA) funds were allocated to fund the Project.

In November 2021, the City Council authorized the acceptance and appropriation of \$155,000.00 in 2022 Comprehensive Investment Plan (CIP) Discretionary Program funds from the Alameda County Transportation Commission (ACTC) (Resolution No. 88668 C.M.S.) to fund the Project.

Local matching funds are required as a condition of these grants, and they will be allocated from Measure KK Infrastructure Bond Fund.

ANALYSIS AND POLICY ALTERNATIVES

On March 16, 2023, the Office of the City Clerk received bids for the construction contract of the Project from two firms: Gallagher & Burk, Inc. (GBI) and McGuire and Hester (M&H). The bids are shown in **Table 1** below.

Table 1: Project Bids Received

BIDDER	BASE BID
McGuire & Hester	\$15,575,063.00
Gallagher & Burk	\$17,177,177.00

On March 23, 2023, the City received a protest letter from GBI stating the bid proposal submitted by M&H had omitted the total price for fifty-five (55) bid items which gave M&H more time to complete the bid and created a competitive advantage over GBI who completed both the total price for all bid items.

The Oakland Public Works, Capital Contracts Division reviewed the protest letter and found that M&H provided enough information to calculate the omitted total prices and this issue does not give M&H any material advantage over other bidders.

As the ATP grant funds and Safe And Seamless Mobility Quick Strike funds are federally funded, the Project is required to comply with the City's Disadvantaged Business Enterprise (DBE) requirements but not the Local/Small Local Business Enterprise (L/SLBE) requirements. Bids were also reviewed by the Department of Workforce and Employment Standards, and both bid proposals exceeded the DBE project goal of 25%, with M&H and G&BI bid proposals calculated to be 36.54% and 37.55%, respectively. Both bid proposals were compliant with the City's Equal Benefits Ordinance (EBO), the Compliance Analysis Memorandum is included in (**Attachment B**).

M&H's bid of \$15,575,063.00 is nineteen and eight-tenths percent (19.8%) higher than the Engineer's Estimate of \$12,998,470.00. Given the current economic conditions, including materials cost increases, staff determined that M&H's bid is reasonable and is recommended to be awarded the contract.

Adoption of the proposed resolution will allow the City, through the Oakland Department of Transportation (OakDOT), to move forward with implementing the 14th Street Safe Routes in the City Project and advancing four Citywide priorities: **(1) housing, economic, and cultural security; (2) vibrant, sustainable infrastructure; (3) holistic community safety; and (4) responsive, trustworthy government** as follows:

- 1. Housing, Economic, and Cultural Security:** Walking, cycling, and transit are often cost-effective alternatives to automobiles, which many Oaklanders cannot afford to access. Lack of safe, attractive, and comfortable facilities may dissuade people from using these cost-effective transportation modes. The Project will provide the necessary infrastructure along 14th Street to encourage the use of alternative transportation modes, and increase foot traffic and economic activities in the neighborhood.
- 2. Vibrant and Sustainable Infrastructure:** The Project invests in pedestrian, bicyclist, and public transit infrastructure to ensure Oaklanders have high-quality, sustainable transportation choices to travel to major destinations including downtown, the 12th Street Oakland City Center Bay Area Rapid Transit (BART) Station and the Lake Merritt BART Station. The improvements will transform the corridor into a walk-, bike- and transit-friendly segment that supports the vibrancy and economy in the area.

3. **Holistic Community Safety:** The Project includes constructing physically separated bicycle lanes, protected intersections, curb extensions, and other enhancements designed to improve pedestrian, bicycle, and transit safety along the busy 14th Street corridor.
4. **Responsive, Trustworthy Government:** OakDOT is working diligently to deliver a key piece of pedestrian, bicyclist, and transit infrastructure that would benefit many communities in the Downtown and Lake Merritt areas.

FISCAL IMPACT

The Project is funded by federal, state, and local funding sources as listed in **Table 2** below. Construction award is contingent upon availability of funding.

TABLE 2: CONSTRUCTION FUNDING SOURCES	AMOUNT
Grant: Active Transportation Program (ATP) and Safe And Seamless Mobility Quick Strike Program, 14 th Street Safe Routes in the City Project (No. 1003959), Complete Streets Design Organization (35212) & Construction Organization (92270), Department of Transportation Fund (2116), Construction Task (8.0), Award (23710)	\$10,343,000
Grant: Affordable Housing and Sustainable Communities (AHSC), 14 th Street Safe Routes in the City Project (No. 1003959), Complete Street Design Organization (35212) & Construction Organization (92270), AHSC STI Fund (2159), Construction Task (8.0), Award (TBD)	\$1,244,244
Grant: Affordable Housing and Sustainable Communities (AHSC), 14 th Street Safe Routes in the City Project (No. 1003959), Complete Street Design Organization (35212) & Construction Organization (92270), AHSC TRA Fund (2159), Construction Task (8.0), Award (TBD)	\$200,000
Grant: Alameda County Transportation Commission (ACTC CIP), 14 th Street Safe Routes in the City Project (No. 1003959), Construction Organization (92270), Alameda County Transportation Commission Fund (2214), Construction Task (8.0), Award (24391)	\$155,000
Measure KK, Complete Streets Capital Project (No. 1003348), Complete Street Design Organization (35212) & Engineer Design: Streets Organization (92242), Measure KK Fund (5335), Construction Task (8.0)	\$3,632,819
TOTAL FUNDS	\$15,575,063

PUBLIC OUTREACH / INTEREST

Staff provided notice to labor representatives, per the terms and conditions of the current Memorandums of Understanding with the International Federation of Professional & Technical Engineers (IFPTE) Local 21, Service Employees International Union (SEIU) Local 1021 and International Brotherhood of Electrical Workers (IBEW) Local 1245 prior to the formal issuance of the Request for Bid (RFB).

Public Outreach is part of OakDOT's Capital Contract Equity Initiative. For this RFB solicitation, OakDOT-Great Streets Delivery Division (OakDOT-GSD) worked with Oakland Public Works, Capital Contracts Division (OPW-CCD) and the Department of Workplace and Employment Standards (DWES) to perform public outreach through legal ads, enhanced notifications, and pre-bid meetings.

Notifications of solicitation were distributed by several means. The first was the City's iSupplier system, which was utilized to notify Oakland-certified local and non-local professional service providers (e.g., landscape architects, architects, engineers, contractors, and planning firms); regional trade and business groups, including the Oakland Metropolitan Chamber of Commerce, Oakland Black Board of Trade & Commerce, Bay Area Business Roundtable, and Construction Bidboard. Within a few days of registering in iSupplier, companies can access and review proposal requests in iSupplier, including by searching for specific projects based on North American Industry Classification System (NAICS) code.

In addition to iSupplier, OPW-CCD utilized CIPList.com, a free web-enabled site, to announce and distribute solicitations. It is used to push out notifications to plan rooms and builders' exchanges such as ARC North America, Builders Exchange of Alameda County, Contra Costa Builders Exchange, Dodge Data & Analytics, East Bay Blueprint, East Bay Blueprint, iSqFT, Northern California Electrical Construction Industry, Peninsula Builders Exchange, San Francisco Builders Exchange, and Solano-Napa Builders Exchange. Through CIPList.com, any company or entity may register to be automatically notified of all City of Oakland solicitations without restrictions.

The legal notice for the RFB solicitation was advertised on February 16, 2023, in the East Bay Times and the Oakland Post. In addition, information about the project was published in El Mundo, Daily Pacific Builder, World Journal, and the Korea Times to supplement and target L/SLBE companies in Black, Indigenous, People of Color (BIPOC) communities with potential contractors.

Finally, OPW-CCD held a pre-bid meeting in partnership DWES and the Project Manager on December 27, 2022, with eight (8) people in attendance virtually. The meeting's purpose was to inform attendees about the Project, discuss compliance requirements, and provide an opportunity for contractors and sub-contractors to network and partner on the proposed work.

COORDINATION

Staff worked with the Office of the City Attorney, the Budget Bureau, the Department of Economic and Workforce Development, and Alameda-Contra Costa (AC) Transit in the development of this Project and preparation of this report and legislation.

OakDOT staff also coordinated with the California Department of Transportation (Caltrans) and BART to obtain encroachment permits for work to be performed within those agencies' rights-of-way. Work within the Caltrans right-of-way will occur at the 14th Street bridge crossing the Interstate-980 Freeway, while work within the BART right-of-way will occur above the underground BART tunnel beneath Broadway.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Past projects completed by M&H for the City were deemed satisfactory by staff per the Contractor Performance Evaluations (***Attachment C***).

SUSTAINABLE OPPORTUNITIES

Economic: Implementation of the Project will improve the experience of pedestrians, bicyclists, and transit users, which staff anticipate will encourage additional foot travel and thereby increase local economic activity.

Environmental: Compared to traveling by automobile, walking, biking, and using public transit is energy efficient and low emission form of transportation. The Project is expected to result in reduced motorized traffic activities and associated greenhouse gas emissions.

Race & Equity: As walking, biking and transit riding are relatively inexpensive and broadly accessible forms of transportation, the Project's pedestrian and bicycle improvements will especially benefit youth, seniors, low-income residents, and people who do not own personal vehicles.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The proposed Project is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 1080.25(b)(1) (pedestrian and bicycle facilities, including new facilities). The Project is also exempt from CEQA pursuant to CEQA Guidelines Sections 15301(c) (Existing Facilities, Highways and Streets), 15302 (Replacement or Reconstruction), 15304(h) (minor alterations to land), and/or 15061(b)(3) (No Significant Effect on the Environment). Each of the above exemptions provides a separate and independent basis for CEQA compliance.

In addition to CEQA, National Environmental Policy Act (NEPA) clearance was obtained, because the Project is federally funded. A copy of the NEPA documents is provided in ***Attachment D***.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Awarding A Construction Contract to McGuire & Hester For The 14th Street Safe Routes in the City Project, Project No. 1003959, The Lowest, Responsible, And Responsive Bidder In Accordance With Project Plans,

Specifications, State Requirements, And With Contractor's Bid In The Amount Of Fifteen Million, Five Hundred Seventy-Five Thousand Sixty-Three Dollars (\$15,575,063.00); And Adopting Appropriate California Environmental Quality Act (CEQA) Findings.

For questions regarding this report, please contact Chris Diano, P.E., Civil Engineer at cdiano@oaklandca.gov

Respectfully submitted,

Fred Kelley

[Fred Kelley \(Jun 11, 2023 17:10 PDT\)](#)

FRED KELLEY
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Attachments (4):

Attachment A: Resolution No. 89263 C.M.S
Attachment B: Compliance Analysis Memorandum
Attachment C: Contractor Performance Evaluations for McGuire & Hester
Attachment D: National Environmental Policy Act (NEPA) clearance