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MARCH 2, 2004

IGNACIO DE LA FUENTE, PRESIDENT
CITY COUNCIL
OAKLAND, CALIFORNIA

PRESIDENT DE LA FUENTE AND MEMBERS OF THE CITY COUNCIL

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH RAJAPPAN & MEYER CONSULTING ENGINEERS INC. FOR DESIGN SERVICES FOR THE 12TH STREET RECONSTRUCTION PROJECT FOR AN AMOUNT NOT TO EXCEED FOUR MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$4,700,000)

PURPOSE AND SCOPE

In accordance with the Measure H Charter Amendment, which was passed by the voters at the General election of November 5, 1996, we have made an impartial financial analysis of the accompanying Council Agenda Report and Proposed Resolution. In making our analysis we also obtained copies of the Request for Proposal (RFP) and documentation from the Contract Compliance Division.

Since the Measure H Charter Amendment specifies that our impartial financial analysis is for informational purposes only, we did not apply Generally Accepted Government Auditing Standards as issued by the Comptroller General of the United States. Moreover, the scope of our analysis was impaired by Administrative Instruction Number 137, effective May 21, 1997, which provides only one (1) week for us to plan, perform and report on our analysis.

SUMMARY

The 12th Street Reconstruction Project is outlined in the Lake Merritt Master Plan, and is a major element of the City of Oakland Bond Measure DD, which was passed by the voters in the November 2002 general election. The purpose of Measure DD, as stated on the ballot, was to: (1) improve water quality; (2) provide educational and recreational facilities for children; (3) clean up Lake Merritt; (4) restore Oakland’s creeks, waterfront and Estuary; (5) preserve and acquire open space; (6) renovate parks; (7) provide safe public spaces; and (8) provide matching funds to qualify for state and federal funding for these projects.

The Measure authorized the City of Oakland to issue \$198,250,000 in bonds creating an “Oakland Trust for Clean Water, Safe Parks” to ensure that money will be spent on only approved projects.

Under the 12th Street Reconstruction Project, the roadways at the south end of Lake Merritt will be reconfigured, whereby the existing twelve-lane expressway across the 12th Street dam will be changed into a six-lane boulevard. Adjacent streets will also be reconfigured, from the intersection of E. 18th Street and Lakeshore Avenue around to Oak Street.

CONTRACTOR SELECTION PROCESS

On September 17, 2003, the Public Works Agency issued a Request for Proposal for these design services, and on October 27, 2003 the City received proposals from seven teams. A panel that included a representative of City Council District 2, a member of the Measure DD Community Coalition, and staff from the Public Works Agency and Office of Parks and Recreation concluded that Rajappan & Meyer Consulting Engineers was best qualified to complete this design project.

FISCAL IMPACT

Funds for this design contract will be spent as follows:

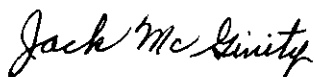
Design tasks	\$4,200,901
Bid and construction support	<u>261,749</u>
Subtotal	\$4,462,650
Contingency – 5.3 percent	<u>236,520</u>
Total	<u>\$4,699,170</u>
Rounded to	<u>\$4,700,000</u>

This design project is funded by the Measure DD "Oakland Trust for Clean Water, Safe Parks", and is one of the largest components of the Measure DD program. The total project budget is \$47.25 million, of which \$9.5 million has been appropriated in the first 3-year bond series. Funds are available under Fund 5320, Project No. C241610. The assessments for Public Art and Contract Compliance have been set aside. Additional funds required for construction, currently scheduled for 2007, will be appropriated by the next bond series.

CONCLUSION

The Proposed Resolution appears to be reasonable.

Prepared by:



Jack McGinity, CPA

Report completion date:

February 10, 2004

Issued by:



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