

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK
2006 APR 11 PM 1:18

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: April 25, 2006

RE: **A Resolution Authorizing The City Administrator To Increase The Change Order Limit To Two Hundred Thousand Dollars (\$200,000.00) For The Construction Contract With Bay Construction For The Peralta Hacienda Historical Park Phase IIIA Landscape Improvement Project (Project No. C196710) For A Total Contract Amount Not-To-Exceed One Million Seventy-Four Thousand Five Hundred Dollars (\$1,074,500.00)**

SUMMARY

The Council is requested to approve a resolution authorizing the City Administrator to increase the change order limit on the construction contract with Bay Construction for the Peralta Hacienda Historical Park Phase IIIA Landscape Improvements project (Project No. C196710). In accordance with standard provisions of the State of California Specifications for Public Works Construction (Greenbook, 2003 Edition) which have been adopted by the City of Oakland and as incorporated and modified per Special Provisions Section 3.2.1 in the project specifications, the City Administrator is authorized to approve change orders up to 20% of the contract award amount for contract prices in the range of \$0.5 million to \$2 million. The contract award amount is \$874,500.00 with an allowed change order limit of \$174,900.00. Approval of this resolution will increase the change order limit from \$174,900.00 to a maximum of \$200,000.00, increasing the total not-to-exceed contract amount from \$1,049,400.00 to \$1,074,500.00. Funds to cover the increased change order amount are available from additional fund sources received after the award of the construction contract.

Changes to the project scope include replacement of the existing deteriorated roof and repair to dry rot rafters for the house located at 2496 Coolidge Avenue, incorporation of additive alternates for the entry Alleé, additional adobe wall reinforcements, addition of storm drain catch basin, relocation of electrical lines and other miscellaneous changes needed to suit changed field conditions.

The project is consistent with the Mayor and City Council Goal and Objectives No. 2 – Provide for clean, well-maintained facilities, amenities, parks and recreational facilities and No. 3 – Provide effective community programs for seniors, youth, and people with disabilities. The project is located in Council District 5.

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FISCAL IMPACT

Approval of this resolution will authorize the City Administrator to increase the change order limit for the contract with Bay Construction for the construction of the Peralta Hacienda Historical Park Phase IIIA Landscape Improvement project. The awarded base contract amount to Bay Construction is \$874,500.00. Project specifications limit the change order authority of the City Administrator to \$174,900.00 (20% of the original contract amount) for a total contract limit of \$1,049,400.00. The anticipated net total of all executed and pending change orders is approximately \$200,000.00. Therefore, another \$25,100.00 in change order allowance is necessary to execute all remaining change orders and to complete the project. The revised total not-to-exceed contract amount is \$1,074,500.00.

Funds are available to cover the pending change orders from existing project construction funds, private cash donations approved by Council on Feb. 21, 2006 (Resolution 79729 C.M.S.), and an existing Department of Parks & Recreation Proposition 40 Murray Hayden Grant allocation. Project fund sources are listed below. The funds represent the total project budget which includes construction funds as well as project design costs, consultant fees, project management costs, staff and administration costs.

- Measure K- Series C General Obligation Bond Fund (5006), Project No. C196720. Total appropriated project amount is \$136,826.00.
- Measure K- Series D General Obligation Bond Fund (5014), Project No. C196710. Total appropriated project amount is \$739,094.00.
- Measure I – General Obligation Bond Fund (5010), Project No. C85910. Total appropriated project amount is \$100,000.00.
- State of California Department of Parks and Recreation Fund (2134), Proposition 12, Roberti-Z'berg-Harris Urban Open Space and Recreation Program, Project No. G230710. Total appropriated project amount is \$500,000.00.
- Private Donation Fund (2190) from Owens Illinois Glass Containers North America, Project No. C196730, amount of \$48,000.00.
- State of California Department of Parks and Recreation Fund (2134), Proposition 40, Murray Hayden Program, Project No. C284520. Allocated project amount is \$123,000.00 from the approved \$850,000.00 grant towards Phase IIIA portion of the work.

As stated in a previous Council report of June 21, 2005, the estimated impact to the operation and maintenance costs of the park as a result of the Phase IIIA Landscape Improvement is an increase of \$24,650.00 per year. New required maintenance will include bi-weekly turf mowing, semi-weekly litter removal, landscape weeding and care as staffing level allows, maintenance of play area, and additional miscellaneous maintenance and minor repairs as required. Since no new funding is available for maintenance of the park improvements, it will be done with existing

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staff resources to the extent possible. The Public Works Agency is initiating the Landscaping and Lighting Assessment District (LLAD) appropriation process for FY2006-2007 (referendum is going to voters in May 2006) and proposes to increase LLAD assessment rates to meet increasing maintenance costs. If the proposed LLAD assessment rate increase is approved, LLAD will fund the additional maintenance costs for the Peralta Hacienda Historical Park.

BACKGROUND

A Master Plan, adopted by the City Council in 1977, was updated and approved by the Planning Commission in November 2002. Master Plan implementation will take several phases. Construction of Phase I and II has been completed. Phase I developed the lower creek level of the park. Phase II provided improvements to the upper level. In addition, under a separate agreement between the City and Friends of Peralta Hacienda Historical Park, the Victorian Peralta House was renovated in 2002. The current Phase (Phase IIIA) implements the first set of upper-park landscaping improvements for which funds are currently in place. The Phase IIIA contract was awarded to Bay Construction Company and the project has been in construction since September 2005.

For the original contract, the Contract Compliance and Employment Services Division determined that Bay Construction Company (Bay Construction) met the minimum 20% participation requirement for Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) and Equal Benefits Ordinance (EBO). Bay Construction met the LBE/SLBE level of participation at 83% with banked credit for future projects (See Attachment A). With the additional work resulting from the change orders, it is anticipated that Bay Construction participation will remain at 80% level.

KEY ISSUES AND IMPACTS

On June 21, 2005, Council approved Resolution No. 79299 C.M.S. authorizing the City Administrator to negotiate, award and execute a construction contract for the Peralta Hacienda Historical Park's Phase IIIA improvements in an amount not-to-exceed \$900,000.00. The contract was awarded to Bay Construction Company after successful negotiation for the amount of \$874,500.00. However, the remaining project budget allowed limited funds for construction contingency, representing only three percent of the cost of the construction contract. Industry standards usually require a minimum contingency of ten to fifteen percent.

At the time of construction contract award, only the base project scope was included in the contract since the construction funds were limited. One of the major additive elements of the Master Plan could not be included, which is the Fruit Tree Entry (Allée) along Coolidge Avenue. The cost of the Allée scope at the time of bid was listed as \$123,000.00. In order to include the Allée scope, additional funding was required. The Allée is the main entry access from Coolidge

Avenue to the entire Park. The Alleé serves to orient park users, providing the main entry pathway with a major welcome sign as introduction regarding the historic significance of the park. The pathway is embedded with intermittent interpretive exhibit panels in different languages and aligned with fruit trees and interpretive signs along the sides of the walkway.

On Feb. 21, 2006, Council approved Resolution No. 79729 C.M.S. accepting a cash donation from a private party (Owens-Illinois Glass Container North America) for an amount of \$48,000.00, augmenting the construction contingency from 3% (\$25,500.00) to 8.5% (\$73,500.00).

The Peralta Hacienda Park project was subsequently awarded another grant from State Proposition 40, the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act, Murray Hayden Grant in the amount of \$850,000.00 for construction of the next Phase (IIIB) – Community activity area and courtyard with associated community gardens and parking area. Staff discussed with the grant agency the potential substitution of the Alleé for certain elements of the Phase IIIB project given that the Alleé is key in providing access for both the current Phase IIIA improvements and the next Phase IIIB area. The State Department of Parks and Recreation granted the substitution in January 2006 and approved the use of \$123,000.00 from the \$850,000.00 grant for the Alleé portion in lieu of improvements to the parking area. The existing parking area will remain as is with four standard plus one handicap accessible parking spaces. Improvements to increase parking spaces and changing the access from 34th Avenue to Hyde Street will be deferred. The Alleé will be added to the project scope as a change order.

Since the start of construction, various issues and site conditions required additional project work as follows:

1. Additional steel reinforcements required for the adobe wall construction.
2. Existing electrical line relocation required to avoid conflict with new construction.
3. Repair to existing broken underground electrical lines.
4. Play equipment cost increases for custom manufacturing.
5. Rafter repair and roof replacement for the existing 2496 Coolidge House due to deteriorated conditions and dry rot.
6. Addition of a new storm drainage catch basin.
7. Additional French drain system at play area per permit plan comments.
8. Fruit Tree Entry Alleé (pending).

Items 1 through 7 of the work encountered due to field conditions have either been implemented or are in the process of approval with existing available contingencies. The major addition of the Alleé is held pending approval of increase to the change order limit. Approval of the limit increase will avoid delays to the construction schedule and potential claims from the contractor regarding delays.

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The anticipated total of all executed, pending, and potential change orders is estimated to be \$200,000.00. In accordance with standard provisions of the State of California Specifications for Public Works Construction (Greenbook) which have been adopted by Oakland and incorporated and modified under Special Provisions Section 3.2.1 in the project specifications, the allowable change order limit is 20% of the contract award price, which is \$174,900.00. As a result, an additional \$25,100.00 in change order allowance is necessary to complete the project.

PROJECT DESCRIPTION

The Peralta Hacienda Historical Park is located on Coolidge Avenue in Oakland's Fruitvale neighborhood. The planned improvements for Phase IIIA of the Park include a Multi-Purpose Open-Space Lawn Area, California native planting, an Adobe Wall, a Playground with unique play equipment, minor repairs of the existing building at 2496 Coolidge, and park interpretive signage exhibits. The construction is scheduled to be complete by early fall 2006.

SUSTAINABLE OPPORTUNITIES

Economic: The project will generate jobs for Oakland residents, and business tax, sales tax and other revenues for the City by those contractors and suppliers who work on the project.

Environmental: The project incorporates native plant landscaping appropriate for the site, minimizes natural resource use through a water-conserving irrigation system, and uses recycled rubberized surfacing for the play area.

Social: The Phase IIIA improvements to the Peralta Hacienda Historical Park project will benefit the residents and children in the Fruitvale neighborhood by providing them with educational and recreational opportunities to learn about their place in the culture and history of California.

DISABILITY AND SENIOR CITIZEN ACCESS

The improvement project will improve accessibility to persons with disabilities and senior citizens. All construction will meet the requirements of the Americans with Disabilities Act.

RECOMMENDATION AND RATIONALE

It is recommended that the Council approve a resolution authorizing the City Administrator to increase the change order limit by \$25,100.00 from \$174,900.00 to \$200,000.00, for the

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construction of the Peralta Hacienda Historical Park Phase IIIA Landscape Improvements project. Increase of the change order limit is necessary for project scope additions required by the City and for construction changes as a result of field conditions.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the above-described resolution to authorize the City Administrator to increase the construction change order limit to \$200,000.00 for the construction contract with Bay Construction for the Peralta Hacienda Historical Park Phase IIIA Landscape Improvements project (Project No. C196710) for a total contract amount not-to-exceed one million seventy-four thousand five hundred dollars (\$1,074,500.00).

Respectfully submitted,



RAUL GODINEZ M, P.E.

Director, Public Works Agency

Reviewed by:

Michael Neary, P.E.

Assistant Director, Public Works Agency

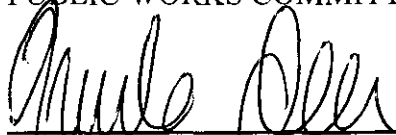
Design & Construction Services Department

Prepared by:

Lily Soo Hoo, CIP Coordinator

Project Delivery Division

APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR

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ATTACHMENT A



**CITY ADMINISTRATOR'S OFFICE
CONTRACT COMPLIANCE AND
EMPLOYMENT SERVICES DIVISION**

MEMO

TO: Gwen McCormick
THROUGH: Deborah Barnes, Manager, Contract Compliance & Employment Services *DBarnes*
FROM: Mary M. Mayberry
CC: Lilly Soo Hoo
DATE: June 6, 2005
RE: Compliance Analysis for: C196710 - Peralta Hacienda Park Phase IIIA

Contract Compliance & Employment Services is in receipt of one (1) bid/proposal for the above referenced project. A pre-bid/pre-proposal meeting was held for this project. Shown below is the compliance evaluation for the 20% minimum participation requirement and a preliminary review for compliance with the Equal Benefits Ordinance.

Company Name	Bid Amount (If Applicable)	Total L/SLBE	LBE	SLBE	Trucking	Total Credited	Bid. Discounts	Adjusted Bid Amount	Banked Credits Eligibility	EBO Compliant? (Y/N)
Bay Construction	\$910,000	83%	0%	83%	100%	50%	5%	\$864,500	2%	Y

Please note that the firm noted above is in compliance with the EBO requirements. Should you have any questions, please contact Mary Mayberry at (510) 238-7324.

2005 JUN 13 PM 12:30

CONTRACT ADMINISTRATION

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Contract Compliance and Employment Services Evaluation Form

Project No.: C196710

Project Name: Peralta Hacienda Historic Park Phase IIIA

Contractor: Bay Construction

Contractor's Bid Amount: 910,000.00

Engineer's Estimate: 850,000.00

Over/Under the Engineers Estimate: -60,000.00

Bid Discounted Amount: \$45,500.00

Discount Points: 5%

Discounted Bid Price: \$864,500.00

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

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

a) % of LBE **0.00%**
b) % of SLBE **82.59%**

3. Did the contractor meet the Trucking requirement? **YES**

a) % of Local Trucking 100.00%

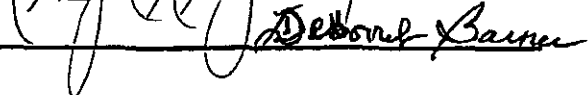
4. Did the contractor received bid discount points? **YES**
(If yes, list the points received) **5%**

5. Additional Comments.
There was only one bidder on this project.

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

Reviewing Officer: 

Date: 6/6/2005

Approved By: 

Date: 6/18/05

LBE/SLBE Participation Bidder 1

Project Name: Peralta Hacienda Historic Park Phase IIIA

Project No.: C196710		Engineers Est: 850,000.00				Under/Over Engineers Estimate: -60,000.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	S/LBE Trucking	Total Trucking	TOTAL Dollars	For Tracking Only		
										Ethnic	MBE	WBE
PRIME	Bay Construction	Oakland	CB		749,592.00	749,592.00			749,592.00	A	\$749,592.00	
Electrical	Columbia Electric	San Leandro	UB						75,685.00	NL		
Brick work	Crown Masonry	Alameda	UB						42,800.00	NL		
Iron Works	Golden Bay Fence	Hayward	UB						28,323.00	NL		
Play equipment	Stanislaus School Equip	Modesto	UB						11,600.00	NL		
Trucking	Williams Trucking	Oakland	CB		2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	AA	\$2,000.00	
Project Totals				0.00	751,592.00	751,592.00	2,000.00	2,000.00	910,000.00		\$751,592.00	\$0.00
				0.0%	82.59%	82.59%	100.00%	100.00%				
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 10%	SLBE 10%	TRUCKING 20%	LBE/SLBE 20%		Ethnicity AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
Legend	LBE = Local Business Enterprise SLBE = Small Local Business Enterprise Total LBE/SLBE = All Certified Local and Small Local Businesses NPLBE = NonProfit Local Business Enterprise NPSLBE = NonProfit Small Local Business Enterprise			UB = Uncertified Business CB = Certified Business MBE = Minority Business Enterprise WBE = Women Business Enterprise								

FILED
OFFICE OF THE CITY CLERK
OAKLAND

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OAKLAND CITY COUNCIL

RESOLUTION No: _____ C.M.S.

Approved as to Form and Legality


Oakland City Attorney's Office

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE CHANGE ORDER LIMIT TO TWO HUNDRED DOLLARS (\$200,000.00) FOR THE CONSTRUCTION CONTRACT WITH BAY CONSTRUCTION FOR THE PERALTA HACIENDA HISTORICAL PARK PHASE IIIA LANDSCAPE IMPROVEMENT PROJECT (PROJECT NO. C196710) FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED ONE MILLION SEVENTY-FOUR THOUSAND FIVE HUNDRED DOLLARS (\$1,074,500.00)

WHEREAS, Council approved Resolution No. 79299 C.M.S. on June 21, 2005, authorizing the City Administrator to negotiate, award and execute a construction contract for the Peralta Hacienda Historical Park's Phase 3A improvements to Bay Construction for eight hundred seventy four thousand five hundred dollars (\$874,500.00); and

WHEREAS, the project specifications limit the cumulative increase to this construction contract to \$174,900 and any spending above the limit requires approval of the Council; and

WHEREAS, in order to negotiate and execute all pending change orders to complete the project, an increase to the change order limit by twenty five thousand one hundred dollars \$25,100.00 is necessary; and

WHEREAS, funds are allocated in 1) Measure K- Series C General Obligation Bond Fund (5006), Project No. C196720; 2) Measure K- Series D General Obligation Bond Fund (5014), Project No. C196710; 3) Measure I – General Obligation Bond Fund (5010), Project No. C85910; 4) State of California Department of Parks and Recreation Fund (2134), Proposition 12, Roberti-Z'berg-Harris Urban Open Space and Recreation Program, Project No. G230710; 5) Private Donation Fund (2190) from Owens Illinois Glass Containers North America, Project No. C196730; 6) State of California Department of Parks and Recreation Fund (2134), Proposition 40, Murray Hayden Program, Project No. C284520; 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 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 services; now, therefore, be it

RESOLVED: That the City Administrator, or her designee, is authorized to increase the change order limit by twenty five thousand one hundred dollars (\$25,100.00) on the construction contract for the Peralta Hacienda Historical Park Landscape Improvements, Phase 3A project with Bay Construction for a total contract amount not-to-exceed one million seventy-four thousand five hundred dollars (\$1,074,500.00); 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, _____, 2006

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California