



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Josh Rowan
Director, Oakland
Department of
Transportation

SUBJECT: Construction Contract Amendment for
Leimert Bridge Seismic Retrofit
Project

DATE: January 29, 2025

City Administrator Approval


Jestin Johnson (Jan 29, 2025 23:06 PST)

Date: Jan 29, 2025

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Waiving Advertising And Competitive Bidding And Increasing The Change Order Limit For The Contract With Disney Construction Inc., For The Seismic Retrofit of Leimert Blvd. Bridge (Project No. 1000820) From Twenty-Five Percent (25%) To Sixty-Five Percent (65%) Of The Original Contract Amount For A Total Contract Amount Not-To-Exceed Nine Million One Hundred Ninety Thousand Six Hundred Ninety-One Dollars (\$9,190,691.00).

EXECUTIVE SUMMARY

Adoption of the proposed resolution will allow the Leimert Bridge Seismic Retrofit Project to utilize additional funding from Caltrans, approved on a request-by-request basis. The additional funding is needed for various unanticipated costs incurred during construction. Without the additional funding, the contractor will be unable to complete construction work on the bridge.

In June 2023, the City Council Resolution [89767 C.M.S.](#) authorized the City Administrator to award a construction contract to Disney Construction Inc. for \$5,570,116.25. Expenditures on the bridge retrofit work are currently at approximately 75% of the base contract, while construction is at approximately 80% completion and is anticipated to be completed by March 2025, pending approval of additional funds from Caltrans.

The contract provides change order authority for up to twenty-five percent (25%) of the base construction contract amount. Staff is requesting an additional \$2,228,046.00 in construction contract authority. City staff is preparing a request to Caltrans for a funding increase, and approval of the additional funds is anticipated to be approved within a few months. It is unlikely that Caltrans would refuse to approve the needed additional funding to complete the project. However, if that were to occur, the City would use existing local match funding to complete the project.

BACKGROUND / LEGISLATIVE HISTORY

The project seismically retrofits the Leimert Bridge, located on Leimert Boulevard over Sausal Creek between Park Boulevard and Clemens Road. The work consists, in general, of seismic retrofit and preventive maintenance of Leimert Boulevard Bridge, including wrapping of concrete members with Carbon Fiber Reinforced Polymer (CFRP), treating the bridge deck with methacrylate and overlaying with polyester concrete, graffiti removal, structure (excavation & backfill), spall repair, partial replacement of railing, utility supports, and slope pavement, replacing joint seals, fencing, roadway excavation, vegetation replanting, environmental protection, implementing a traffic control system, and other items shown on plans and Special Provisions. The work is located in Council District 4, as shown in **Attachment A**.

In June 2023, the City Council Resolution No. [89766 C.M.S.](#), authorized the City Administrator to accept and receive \$4,921,746.00 in federal and state grant funding with a local match of up to \$2,477,724.54 with a total of \$7,399,470.54 for the construction phase of the project. Of the total amount of \$7,399,470.54, \$6,127,127.88 was allocated for the construction contract and contingencies, with \$5,570,116.25 specifically designated for the base construction contract with Disney Construction Inc. In accordance with Resolution No. [89766 C.M.S.](#), the construction contract included authority for up to twenty-five percent (25%) in change orders. Additionally, the resolution authorized acceptance of any additional grant funds received for the construction phase. Several factors contributed to the increased project costs, including newly discovered spalls, the need for additional scaffolding planking to support workers and equipment for repairs, and newly identified cracks requiring extra crack injections. Other factors included delays due to the discovery of an owl nest on the bridge structure, which temporarily halted construction activities, as well as unforeseen conditions such as needing to remove buried concrete blocks, performing additional bridge barrier repairs and painting, grout injections, bridge deck rail removal, and exploratory work. Additional increases in material quantities, extra mobilization costs, and added environmental protection expenses to account for an extended rainy season also contributed.

The total cost of the additional work being proposed by the contractor and the estimated delay claim is \$2,619,668.00. This additional cost is not final and is under negotiation. The overall additional cost to the contract is estimated at \$3,620,575.00 (65%). The construction contract with Disney Construction, Inc. was approved by Council Resolution [89767 C.M.S.](#) with authority for up to twenty-five percent (25%) in change orders. Staff is now seeking \$2,228,046.00 (40%) in additional change order capacity from the Council to accommodate up-to-date project changes and additional unforeseen conditions that may yet arise between now and the completion of the project.

ANALYSIS AND POLICY ALTERNATIVES

The Leimert Boulevard Bridge, a designated City landmark, is receiving a seismic retrofit that meets the historic preservation standards set by the State Historic Preservation Office (SHPO) and the City's Historic Landmark Board. This project meets the Citywide priority of holistic community safety by improving the bridge's resiliency, ensuring that it continues to provide safe, reliable transportation while preserving its historic significance. By proactively addressing the bridge's structural needs, the City demonstrates itself as a responsive, trustworthy government, committed to preserving its historic assets while meeting the evolving needs of the community.

Currently, the construction is approximately at 85% completion and is anticipated to be completed by April 2025. The requested increase to the change order limit will allow completion of the project and help to prevent a costly stop work order to the contractor.

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. Waiving the advertising and competitive bidding requirements of OMC Section 2.04.050 remains in the best interest of the City because it will allow staff to complete the project as required by the federal and state grant and avoid further costly delays and disruption during the middle of the ongoing project construction.

FISCAL IMPACT

The City estimates it needs up to \$2,228,046 in additional contract capacity to complete the project. Staff is in the process of submitting a request for additional funding to Caltrans to cover this amount, and anticipates that Caltrans will provide up to 88.53% of the total need, or \$1,972,489, based on our experience with similar projects. The City would then be responsible for a local match of 11.47%, or \$255,557. In the unlikely scenario that Caltrans does not provide additional grant funding, the City has sufficient available local match of \$2,228,046 to complete the project.

Local match of \$2,228,046 for the needed contract capacity is currently available in Project 1000820, Funds 2218 and 5337.

A breakdown of grant and local funds for the base contracts and the proposed contract capacity increase are shown in the tables below.

Cost Element	Resolution No.	Amount	Grant Funds	Local Funds
Base Project Work with initial 25% contingency	<u>89767 C.M.S.</u>	\$6,962,645.00	\$4,921,746.00	\$2,040,899.00
Proposed additional contract capacity (40% change order capacity increase)	TBD	\$2,228,046.00	\$1,972,489.00	\$255,557.00
Total Proposed Contract Amount (with 65% change order capacity)		\$9,190,691.00	\$6,894,235.00	\$2,296,456.00

PUBLIC OUTREACH / INTEREST

During the planning and design phases, staff performed extensive outreach with stakeholders, Landmarks Preservation Authority, Friends of Sausal Creek, and Oakland Heritage Alliance, and performed multiple public meetings. The project requires full and partial closure of the bridge depending on the stage of construction, thus requiring significant coordination with the community. The City has been publishing information on the project on the City of Oakland website and will continue to do so. The City consultant performed outreach to the neighboring community, including the Oakmore Homes Association. Comments and responses for the public

meeting are posted on the city website at [City of Oakland | Leimert Boulevard Bridge Seismic Retrofit](#). Also, per standard City procedures, Oakland Public Works has sent notification letters prior to the start of construction to area residents and businesses with information about construction activities, schedule, and staff contacts.

COORDINATION

The project has been coordinated with the City Attorney's Office, Budget Bureau, Department of Workplace and Employment Standards, Department of Building and Planning, Oakland Fire Department (OFD), Construction Management Division of Oakland Public Works (OPW) and other State, Federal and local Agencies including:

- The California Department of Transportation (Caltrans)
- East Bay Municipal Utility District (EBMUD)
- Pacific Gas & Electric Company (PG&E)
- City of Oakland Landmarks Preservation Advisory Board (LPAB)
- The State Historic Preservation Office (SHPO)

Regulatory and environmental permits required by the project have been obtained from:

- Department of Fish and Wildlife (DFW)
- City of Oakland (Creek Protection and Tree Removal Permits)

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Past performance evaluation for Disney Construction Inc. indicates satisfactory results on a previous construction contract. The company is also currently performing to a satisfactory standard.

SUSTAINABLE OPPORTUNITIES

Economic: This project will provide a safe structure and allow traffic to continue to use the bridge following an earthquake, which is critical to rapid recovery. The project also incorporates preventative maintenance, which will reduce long-term maintenance costs for the bridge.

Environmental: The contractor will be required to make every effort to reuse clean fill materials and use recyclable concrete products. Best Management Practices for the protection of storm water runoff during construction will be required.

Race and Equity: The seismic retrofit of this bridge will enhance pedestrian and vehicular safety in the neighborhood.


ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt:

A Resolution Waiving Advertising And Competitive Bidding And Increasing The Change Order Limit For The Contract With Disney Construction Inc., For The Seismic Retrofit of Leimert Blvd. Bridge (Project No. 1000820) From Twenty-Five Percent (25%) To Sixty-Five Percent (65%) Of The Original Contract Amount For A Total Contract Amount Not-To-Exceed Nine Million One Hundred Ninety Thousand Six Hundred Ninety-One Dollars (\$9,190,691.00).

For questions regarding this report, please contact Amit Salwan, Principal Civil Engineer at (510) 238-7481.

Respectfully submitted,


Josh Rowan (Jan 29, 2025 20:48 PST)

Josh Rowan, Director
Department of Transportation

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Attachments (1):
A: Project Location Map