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# AGENDA REPORT

# TO: HENRY L. GARDNER INTERIM CITY ADMINISTRATOR

FROM: Brooke A. Levin Director, OPW

SUBJECT: Rajappan and Meyer - Contract Amendment **DATE:** June 9, 2014

City Administrator	0	Date:	. 1	
Approval	84		6/23/14	

# **COUNCIL DISTRICT: 2**

# RECOMMENDATION

Staff recommends that the City Council adopt a Resolution (1) Waiving the Request for Proposal ("RFP") Competitive Selection Requirement; (2) Authorizing the City Administrator, or His Designee, to Amend the Professional Services Agreement with Rajappan and Meyer Consulting Engineers, Inc. for 10th Street Bridge to Increase the Contract Amount from One Million Six Hundred Thousand Dollars (\$1,600,000.00) to a Total Not-to-Exceed One Million Nine Hundred Thousand Dollars (\$1,900,000.00) to be Funded from Measure DD Bond Series 2009B Proceeds; and (3) Extending the Time of Performance of the Contract Work from December 31, 2014 to December 31, 2016.

### **OUTCOME**

Approval of the resolution allows staff to retain Rajappan and Meyer Consulting Engineers, Inc. (R&M), the "Engineer of Record" of the 10th Street Bridge project, to continuously provide construction support and design services through final completion of construction, maintain continuity of the original professional liability, and minimize delays and disruption to the construction schedule.

# BACKGROUND/LEGISLATIVE HISTORY

The 10th Street Bridge is a key component of the Lake Merritt Channel improvements commissioned through Measure DD, the Oakland Trust for Clean Water and Safe Park bond measure passed by Oakland voters in November 2002. The project site is on the Lake Merritt Channel, which connects Lake Merritt to the Oakland Estuary. Existing channel obstructions including concrete box culverts at 10th Street are to be removed to build a clear-span vehicular and pedestrian bridge, multipurpose pathways, and new emergency vehicle access for Laney College. The project will clear and widen the channel to 100 feet along 10th Street, improving tidal circulation in Lake Merritt and enhancing water quality and riparian wildlife habitat. The

channel side pedestrian access under the bridge and opening of the channel will attract pedestrians, bicyclists, and boats to Lake Merritt Channel and eventually permit easy access to the Bay Trail and waterfronts. The project will also continue the program that began with the successful 12<sup>th</sup> Street Project to create stronger linkages between the Estuary, Lake Merritt, and the surrounding neighborhoods.

R&M was selected through a competitive selection process. In July 2005, the City Council authorized the City Administrator to execute a professional services agreement with R&M to provide design and engineering services for the 10th Street Bridge (Resolution No. 79414 C.M.S.) for a contract amount not-to-exceed \$1,200,000.00.

In November 2011, the City Council authorized the City Administrator to amend the contract with R&M for the 10th Street Bridge project to increase the contract amount from \$1,200,000 to a total amount not-to-exceed \$1,600.000 (Resolution No. 83617 C.M.S.) for additional design and engineering services that were necessary to complete the project, but could not have been anticipated when the initial scope of work was established. These included changes to property boundaries related to new construction by Laney College and at the Oakland Unified School District property directly adjacent to the 10<sup>th</sup> Street site. More design revisions were necessary to reflect changes in public utility relocation plans from Pacific Gas and Electric Company (PG&E), East Bay Municipal Utility District (EBMUD), and American Telephone and Telegraph Company (AT&T). Finally, field observations during the actual construction on the adjacent 12<sup>th</sup> Street Reconstruction Project revealed underground conditions that differed significantly from what was indicated on available "as-build" plans for the existing 12<sup>th</sup> Street viaduct. These includes unknown underground piles that prompted changes in the structural design of the 10<sup>th</sup> Street Bridge project, which included redesign of the pile alignment and welding connections.

#### ANALYSIS

Since the contract amendment in November 2011, R&M provided additional design, bidding and construction support, and contract management services for the 10th Street Bridge project.

On November 15, 2012, the City received four contractor bids for the 10th Street Bridge project which all exceeded the Engineer's estimate by wide margins. Staff determined it was in the City's best interest to reject all bids, perform redesign and value engineering, and re-advertise for public bid. After the redesign and value engineering efforts by R&M, four new bids within the range of the Engineer's estimate were received on January 13, 2013. On April 16, 2013, the City Council awarded the construction contract to the lowest responsible bidder for the amount of \$14,804,475.90 (Resolution No. 84304 C.M.S.). Staff issued a notice-to-proceed for construction on June 10, 2013.

Due to heavy vegetation and other obstructions, access to areas south of 10<sup>th</sup> Street was not feasible during the design phase. Therefore, the geotechnical engineer made design assumptions regarding the depths of Young Bay Mud for two retaining walls south of 10<sup>th</sup> Street. During construction in October 2013, access was made possible with the assistance of the contractor to clear the vegetation. The geotechnical engineer performed new soil boring tests and revealed

that Young Bay Mud depths were deeper than original assumptions, which required significant redesign of foundation piles by R&M. Furthermore, additional Pile Drive Monitoring services are required to certify the installation of 574 piles for the retaining and abutment walls.

Due to delays in obtaining regulatory agency permits for the project, adjusting boundary lines for Oakland Unified School District and future construction at Laney College, utility relocation efforts with PG&E, EBMUD and AT&T, and rebidding the project, the construction duration has been extended by nine months. The construction project is now 35% complete and the anticipated construction completion is fall of 2016. In order to continue receiving construction design support from the "Engineer of Record" to facilitate review of submittals and Request for Information (RFI), respond and resolve design related issues and field discrepancies, and provide geotechnical engineering support and pile installation monitoring; additional funding of \$300,000, including \$35,000 in contingency, is required. The additional funds will allow staff to retain R&M as the "Engineer of Record" until December 31, 2016.

Per Oakland Municipal Code Section 2.04.051 B, the Request for Proposal/Request for Qualification ("RFP/RFQ") process can be waived if it is in the best interest of the City. Approval of competitive selection waiver will enable staff to continue construction of the 10th Street Bridge project with design and engineering support services from the "Engineer of Record" without any disruption.

# COORDINATION

This report has been prepared and coordinated with the City Attorney's Office, the Budget Office, and the City Administrator's Office Division of Contract and Compliance.

### COST SUMMARY/IMPLICATIONS

The budget for the 10th Street Bridge design and engineering services contract with prior amendments was for a total amount not-to-exceed \$1,600,000. Approval of the resolution will authorize the City Administrator, or the designee, to execute an amendment to increase the professional services agreement with Rajappan and Meyer Consulting, Inc. for an amount not-to-exceed \$300,000:

- 1. AMOUNT OF RECOMMENDATION/COST OF INCREASE: \$300,000 including \$35,000 in contingency funds.
- 2. REVISED CONTRACT AMOUNT NOT-TO-EXCEED: \$1,900,000
  - Design/Construction Administration total cost is 12.8% of construction costs.
  - R&M is a certified Local Business Enterprise (LBE).

#### 3. SOURCE OF FUNDING:

Measure DD 2009 Series B Fund (No. 5321); Engineering Design: Streets & Structures Organization (92242); Architectural and Engineering Contract Services Account (54411); Lake Merritt Channel 10th Street – Series B Project (C395610); \$300,000

4. FISCAL IMPACT:

The increase of contract amount and extension of the contract period will assure construction support from the "Engineer of Record" and timely completion of the construction project. The Measure DD 2009 Series B bond provides the additional funds.

#### PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

Rajappan and Meyer Consulting Engineers, Inc. has provided satisfactory services to complete 12th Street Bridge and currently providing construction engineering services for 10th Street Bridge project also with satisfactory performance.

#### SUSTAINABLE OPPORTUNITIES

*Economic*: The 10th Street Bridge project will enhance the physical appearance and widen the Lake Merritt Channel which connects Lake Merritt with Oakland Estuary. The unimpeded pedestrian path along the channel will attract more visitors to the neighborhood, providing the potential for further economic development in the area.

*Environmental*: The proposed removal of multi-box culvert and related embankment along the widened channel and the provision of a tidal wetland will significantly improve the natural tidal circulation into Lake Merritt and enhance wildlife habitat and water quality. In addition, the proposed project will encourages the use of bicycles and walking as alternative modes of transportation as well as provide recreational opportunities for the residents of the City.

*Social Equity*: A Lake Merritt shoreline park will be created to include new recreational elements and will have direct pedestrian, bicycle and boat access connection along the unimpeded Lake Merritt Channel Park. The new park will offer improved and easy access to the Bay Trail and waterfronts and increase the social connection between these neighborhoods. The project is designed to meet American with Disabilities Act to provide access to those with disabilities as well as seniors.

#### **CEQA**

The City Council adopted the Environmental Impact Report for the City of Oakland Trust for Clean Water, Safe Parks Bond Measure Implementation Project on April 1, 2008 (Resolution No. 81180 C.M.S.).

For questions regarding this report, please contact David Lau, P.E., Project Delivery Manager, at (510) 238-7131.

Respectfully submitted,

BROOKE A. LEVIN Director, Oakland Public Works

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

Reviewed by: David Lau, P.E., Division Manager Project Delivery Division OPW, Bureau of Engineering and Construction

Prepared by: WooJae Kim, P.E., Capital Improvement Project Coordinator Project Delivery Division OPW, Bureau of Engineering and Construction

OAKLAND CITY COUNCIL

Approved as to Form and Legality Attorney

2014 JUN 26 PM 3: FESOLUTION NO.\_

C.M.S.

Introduced by Councilmember

RESOLUTION WAIVING THE REQUEST FOR PROPOSAL ("RFP") COMPETITIVE SELECTION REQUIREMENT; AUTHORIZING THE CITY ADMINISTRATOR, OR HIS DESIGNEE, TO AMEND THE PROFESSIONAL SERVICES AGREEMENT WITH RAJAPPAN AND MEYER CONSULTING ENGINEERS, INC. FOR 10TH STREET BRIDGE TO INCREASE THE CONTRACT AMOUNT FROM ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000.00) TO A TOTAL NOT-TO-EXCEED ONE MILLION NINE HUNDRED THOUSAND DOLLARS (\$1,900,000.00) TO BE FUNDED FROM MEASURE DD BOND SERIES 2009B PROCEEDS; AND EXTENDING THE TIME OF PERFORMANCE OF THE CONTRACT WORK FROM DECEMBER 31, 2014 TO DECEMBER 31, 2016.

WHEREAS, Measure DD, the Oakland Trust for Clean Water and Safe Parks Bond, projects which includes a number of projects along the Lake Merritt Channel designed to improve tidal flows and access between the Oakland Estuary and Lake Merritt; and

WHEREAS, one of these projects is the 10<sup>th</sup> Street Bridge project at Lake Merritt Channel; and

WHEREAS, the Measure DD program calls for the removal of existing infrastructure at 10<sup>th</sup> Street including a multi-box culvert and related embankment for the construction of a new bridge, multipurpose pathways, channel park enhancements, minimum 100 feet channel widening at 10<sup>th</sup> Street, facilities to maintain the Laney College emergency access, and the incorporation of public art elements; and

WHEREAS, in June 2005, a professional services agreement was awarded to Rajappan & Meyer Consulting Engineers, Inc. for design and engineering services for an amount not-to-exceed one million two hundred thousand dollars (\$1,200,000.00) and a contract was executed in accordance with Resolution No. 79414 C.M.S.; and

WHEREAS, Rajappan & Meyer Consulting Engineers, Inc. complies with all Local Business Enterprise/Small Local Business Enterprise requirements; and

WHEREAS, in November 2011, the professional services agreement with Rajappan & Meyer Consulting Engineers, Inc. was amended to provide design and engineering services to revise the construction documents due to property boundary line changes, utility relocations, and value engineering, increasing the total contract amount not-to-exceed one million six hundred thousand dollars (\$1,600,000.00); and

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WHEREAS, the amendment also extended the contract from March 31, 2012 to December 31, 2014; and

WHEREAS, the amendment was funded from Measure DD Bond Series B proceeds in accordance with Resolution No. 83617 C.M.S.; and

WHEREAS, since then, Rajappan & Meyer Consulting Engineers, Inc. dealt with scope changes related to rebid process, foundation piles redesign after new geotechnical findings, and delays with construction due to obtaining regulatory agency permits and relocation of existing utilities; and

WHEREAS, an amendment is needed to the professional services contract with Rajappan & Meyer Consulting Engineers, Inc. to allow continuation of construction support and design services by the "Engineer of Record" through the construction completion and final acceptance by the City which is anticipated in fall of 2016; and

WHEREAS, construction support and design services include, but not limited to, responding and resolving design related issues and field discrepancies, review submittals, respond to information requests from the contractor, provide geotechnical engineering support and pile installation monitoring, and furnish an as-built drawings at construction completion; and

WHEREAS, funding to amend the agreement is from Measure DD, Oakland Trust for Clean Water and Safe Parks bond, Series B proceeds appropriated for the 10<sup>th</sup> Street Bridge project in the following account:

 Measure DD 2009 Series B Fund (5321); Engineering Design: Street and Structures Organization (92242); Architectural and Engineering Contract Services Account (54411); Lake Merritt Channel 10<sup>th</sup> Street – Series B Project (C395610); \$300,000.00; and

WHEREAS, the City lacks the equipment and qualified personnel to perform the necessary work, and the performance of the professional services in the contract is in the public interest because of economy or better performance; 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 Council hereby authorizes the City Administrator, or the designee, to negotiate and amend the professional services contract with Rajappan & Meyer Consulting Engineers Inc. to include additional construction support and design services for the 10<sup>th</sup> Street Bridge project and to increase the contract by three hundred thousand dollars (\$300,000.00) from one million six hundred thousand dollars (\$1,600,000.00) to a total amount not-to-exceed one million nine hundred thousand dollars (\$1,900,000.00), and waive the Request for Proposal (RFP) requirement for the new work; and be it

**FURTHER RESOLVED**, that is in the best interest of the City to waive the RFP requirement (per Oakland Municipal Code Section 2.04.051 B) since Rajappan & Meyer Consulting Engineers, Inc. is the "Engineer of Record" for this project; and be it

**FURTHER RESOLVED**, that approval of this amendment will enable staff to retain the "Engineer of Record" to continue providing construction support and design services and ensure continuity of the original professional liability without disruption; and be it

FURTHER RESOLVED, that the contract be extended from December 31, 2014 to December 31, 2016; and be it

**FURTHER RESOLVED**, that the City Administrator or the designee is authorized to execute any amendments or modifications to said agreement within the limitations of the project specifications; and be it

**FURTHER RESOLVED**, that the amendment to the contract shall be reviewed and approved by the City Attorney and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

#### PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT -

**ABSTENTION -**

ATTEST:

LaTonda Simmons City Clerk and Clerk of the Council of the City of Oakland, California