



City of San Leandro

Meeting Date: June 20, 2016

Staff Report

File Number: 16-250

Agenda Section: CONSENT CALENDAR

Agenda Number: 8.E.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Keith Cooke
Engineering & Transportation Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: Staff Report for a Resolution to Award a Construction Contract to American Asphalt Repair and Resurfacing Co., Inc. for the Annual Street Sealing 2015-16 Project, Project No. 2016.0070; authorization for the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount; and authorization for the City Manager to negotiate and approve cumulative change orders up to 15% of the original contract amount; City Council approval to appropriate \$750,000.00 from Measure B fund balance; and to appropriate \$50,000.00 from General Fund-Economic Uncertainty Fund reserves to be reimbursed from the California Department of Resources Recycling and Recovery (CalRecycle)

SUMMARY AND RECOMMENDATIONS

This contract provides for the application of preventive maintenance treatments on various City streets in the 2016 Asphalt Maintenance Area.

Staff recommends the following actions:

- Awarding the construction contract of the Base Bid and Additive Bid A to American Asphalt Repair and Resurfacing Co., Inc. in the amount of \$974,495.71 for the subject project
- Authorizing individual change orders up to 5% of the original contract (\$48,724.79), and authorizing a total change order amount up to 15% of the original contract (\$146,174.79)
- Appropriating Measure B Funds in the amount of \$750,000.00, and
- Appropriating General Fund-Economic Uncertainty Fund reserves in the amount of \$50,000.00 to be reimbursed from the California Department of Resources Recycling and Recovery (CalRecycle) grant.

BACKGROUND

Street sealing is an annual maintenance activity that can prolong the useful life of streets. The treatments associated with this project include slurry sealing, asphalt rubber chip sealing, and micro-surfacing. These treatments involve the application of one or more layers of aggregate materials, crumb rubber chips produced from recycled used tires, and asphalt emulsions. The particular process is individually selected for each street based on its street condition.

The City is divided into four asphalt maintenance areas, each year maintenance work is concentrated within one area to improve efficiency and reduce costs. The worst streets that are suitable for each treatment within the 2016 Maintenance Area were chosen for this project, with priority given to arterial and collector streets that carry more vehicles. A summary of street segments to receive treatments is attached.

As part of this project and in compliance with the Americans with Disabilities Act (ADA), the City Council awarded the Ramp Upgrades 2015-16 Project, Project No. 2016.0071 to Rosas Brothers Construction to install curb ramps where none currently exist and to upgrade non-compliant ramps.

This project is funded in large part by Measure B sales tax money distributed to the City by Alameda County Transportation Commission (ACTC) each year for use on local streets and roads. The City has consistently used Measure B money within 3 years of receipt which is within the 5 years allowed for the timely use of funds requirements. In January, 2016 ACTC changed their timely use of funds policy to require use of funds within the same year they are distributed to the City. The City has four years to comply with this new policy. Staff has expanded the Annual Street Sealing 2015-16 project to include treatment on additional streets in an effort to spend Measure B funds quickly and meet the timely use of funds requirement.

The City was awarded a grant from the California Department of Resources Recycling and Recovery (CalRecycle) for the use of the crumb rubber chips derived from scrap rubber tires in the rubberized chip seal process and will be reimbursed at a rate of \$0.50 per square yard, up to a maximum of \$50,000.00, for each square yard of roadway where that process is applied on this project.

Analysis

Bids were opened on May 24, 2016. Three (3) bids were received ranging from \$842,912.41 (base bid); \$974,495.71 (base plus additive A bid) to \$1,095,000.00 (base bid); \$1,295,000.00 (base plus additive A bid). The pre-bid engineer's estimate for construction was \$774,400.80 (base bid) and \$918,278.85 (base plus additive A bid). American Asphalt Repair and Resurfacing Co., Inc. was determined by staff to be the lowest responsible bidder.

The bid documents contained a Bid Alternate "A" for a selection of street segments in the project scope. This work was separated from the base bid so that it could be omitted from the contract in the event that bids received exceeded the available funding. In light of the requirement to spend Measure B funds in a timely manner, staff recommends that Bid Alternate "A" be included as part of this contract.

None of the bidders have an office in San Leandro and will not qualify as a local business per the Local Inclusion Policy Ordinance. Also, none of the bidders will meet the Local Business

Participation Goal of 25% by subcontracting with San Leandro businesses for 25% of the contract value. However, the low bidder provided documentation supporting a good faith effort in outreach to engage local business participation. Staff verified that the contractor has a valid license with the Contractor's State License Board and is registered with the California Department of Industrial Relations.

Contract Change Orders

As is standard in the construction industry, staff balanced site investigation costs with the risk of finding unforeseen conditions during construction as well as the design costs with the level of detail on the plans. As a result, unforeseen conditions may be encountered during construction and plan details may need to be adjusted or clarified. In order to minimize delay on the project and ensure that the scope of work is adjusted as needed to provide the highest quality project for the City, staff requests that the City Council authorize the City Manager or his designee to negotiate and approve individual change orders up to 5% (or \$48,724.79) of the original contract amount and cumulative change orders up to 15% (or \$146,174.79) of the original contract amount. This will ensure efficient completion of the project on budget and on schedule.

Applicable General Plan Policies

This action is consistent with Streets and Highways Goal No. 16 of the General Plan and Action Item 16.03: Regularly maintain City streets and traffic control devices to ensure that streets operate safely and efficiently.

Environmental Review

This project is categorically exempt from California Environmental Quality Act (CEQA) per Section 15301(c) of the CEQA guidelines. The Notice of Exemption was filed with the Alameda County Recorder on March 25, 2016.

Summary of Public Outreach Efforts

- The Notice to Bidders was published in the Daily Review, the South County Post, Visión Hispana and the World Journal.
- Staff also notified twenty-one builders' exchanges and construction data firms as well as a list of contractors that asked to be notified of bidding opportunities via email.
- The project is described on the Engineering and Transportation Department website.

Prior to construction, staff will notify the residents of the streets of the project and project schedule. The contractor will also provide notification in the form of door hangers immediately before the work.

Fiscal Impacts

The total project cost including design, curb ramp upgrades, construction, contingencies and construction management is estimated at \$1,850,000.00 as follows:

| | |
|-----------------------|--------------|
| Design, Bid and Award | \$ 32,000.00 |
|-----------------------|--------------|

| | |
|--|----------------------|
| Curb Ramp Upgrades | \$ 593,000.00 |
| Cost of this Contract | \$ 974,495.71 |
| Construction Management, Inspection, and <u>Contingency</u> | <u>\$ 250,504.29</u> |
| Total Estimated Cost of Project | \$1,850,000.00 |

Curb ramp upgrades will be completed via a separate construction contract.

The subject contract is in the amount of \$ 974,495.71. If change orders are needed, the maximum authorized by this action is \$146,174.79. Change orders that increase the project cost beyond the budget authority will not be issued without Council approval of an additional appropriation.

Budget Authority

This project will be funded as follows:

Current Appropriation

| <u>Account No.</u> | <u>Reso & Appropriation Dates</u> | <u>Amount</u> |
|--------------------|---------------------------------------|---------------------|
| 143-38-376 | Reso 2015-100, FY 2015-16 | \$ 500,000.00 |
| 144-38-376 | Reso 2015-100, FY 2015-16 | \$ 500,000.00 |
| <u>210-38-299</u> | <u>Reso 2015-170, FY 2015-16</u> | <u>\$ 50,000.00</u> |
| Subtotal | | \$1,050,000.00 |

Appropriation requested in this action

| | |
|---------------------------------------|---------------------|
| 144-38-376 (Measure B) | \$ 750,000.00 |
| <u>150-38-376 (CalRecycle Grant)*</u> | <u>\$ 50,000.00</u> |
| Subtotal | \$ 800,000.00 |

Total Project Appropriation \$1,850,000.00

* Requesting use of General Fund-Economic Uncertainty Fund balance reserves until reimbursed from the CalRecycle grant.

ATTACHMENTS

- Summary of street segments to receive treatment
- Bid Summary - Annual Street Sealing 2015-16

PREPARED BY: John O’Driscoll, Associate Engineer, Engineering and Transportation Department

ANNUAL STREET SEALING 2015-16

SUMMARY OF STREET SEGMENTS TO RECEIVE TREATMENT

Street Segments to receive Slurry Seal:

Best Avenue from San Leandro Boulevard to Lafayette Avenue
Bowling Green Street from Dorchester Avenue to Pontiac Street
Breed Avenue from Durant Avenue to Dowling Boulevard
Diehl Avenue from Dutton Avenue to MacArthur Boulevard
Dolores Avenue from E. 14th Street to 50 feet east of Santa Rosa Street
Dutton Avenue from 130 feet east of E. 14th Street to Woodland Avenue
Juana Avenue from Bancroft Avenue to E. 14th Street
Lewis Avenue from Dutton Avenue to MacArthur Boulevard
Santa Rosa Street from Estudillo Avenue to Joaquin Avenue
Santa Rosa Street from Joaquin Avenue to Dolores Avenue
Suffolk Drive from Dorchester Avenue to Pontiac Street
W. Estudillo Avenue from E. 14th Street to Washington Avenue
Williams Street from E. 14th Street to Washington Avenue

Street Segments to receive Cape Seal:

Begier Avenue from E. 14th Street to Woodland Avenue
Beverly Avenue from Durant Avenue to Dutton Avenue
Broadmoor Boulevard from Bancroft Avenue to Kenilworth Avenue
Castro Street from Hays Street to Washington Avenue
Castro Street from San Leandro Boulevard to Hays Street
Cherrywood Avenue from Lafayette Avenue to E. 14th Street
Cherrywood Avenue from Park Street to Lafayette Avenue
Dolores Avenue from 50 feet east of Santa Rosa Street to Bancroft Avenue
Estabrook Street from Alvarado Street to Orchard Avenue
Joaquin Avenue from Santa Rosa Street to E. 14th Street
Lafayette Avenue from Cherrywood Avenue to Best Avenue
Lafayette Avenue from W. Broadmoor Boulevard to cul-de-sac south of Belleview Drive
Leo Avenue from Park Street to Lafayette Avenue
Stoakes Avenue from E. 14th Street to Park Street
Stratford Avenue from Broadmoor Boulevard to Durant Avenue
Williams Street from San Leandro Boulevard to Washington Avenue

Street Segments to receive Cape Seal over Microsurfacing:

Glen Drive from Chetland Road to Superior Avenue

BID SUMMARY



This document is a summary of bids received for the subject project and are provided only as a convenience. Listing of a particular bid is not a finding that such bid has been found to be responsive or accepted as complete by the City. An award of contract, if any, is subject to approval of the City Council and/or the City Manager. Contractors should refer to the contract documents for bidding information.

PROJECT TITLE: Annual Street Sealing 2015-16
 PROJECT NO.: 2016.0070
 BID NO.: 15-16.013

| BID OPENING | | | ENGINEER'S ESTIMATE | | American Asphalt Repair & Resurfacing Co., Inc. | | Telfer Pavement Technologies | | VSS International, Inc. | |
|---|---|----------|--|--------------|--|--------------|--|--------------|---|--------------|
| DATE: Tuesday, May 24, 2016 TIME: 3:00 p.m. LOCATION: City Clerk's Office | | | Date Approved: 4/25/2016 Prepared by: J. O'Driscoll | | 24200 Clawiter Road Hayward, CA 94545 Phone: (510) 723-0280 Fax: (510) 723-0288 | | 4522 Parker Avenue, Suite 350 McClellan, CA 95652 Phone: (916) 383-1756 Fax: (916) 383-4084 | | 3785 Channel Drive West Sacramento, CA 95691 Phone: (916) 373-1500 Fax: (916) 373-0183 | |
| ITEM NO. | ITEM | QUANTITY | UNIT COST | ITEM COST | UNIT COST | ITEM COST | UNIT COST | ITEM COST | UNIT COST | ITEM COST |
| BASE BID | | | | | | | | | | |
| 1 | Mobilization, Staging & Stockpiling per Sections 7-8.4 & 9-3.4 | 1 LS | \$40,000.00 | \$40,000.00 | \$85,000.00 | \$85,000.00 | \$65,000.00 | \$65,000.00 | \$48,360.63 | \$48,360.63 |
| 2 | Traffic Control And Construction Signs per Section 315 | 1 LS | \$45,000.00 | \$45,000.00 | \$55,000.00 | \$55,000.00 | \$115,000.00 | \$115,000.00 | \$80,780.00 | \$80,780.00 |
| 3 | Distressed Pavement Repair (Dig Outs) per Section 302-3 | 620 TN | \$200.00 | \$124,000.00 | \$240.00 | \$148,800.00 | \$345.00 | \$213,900.00 | \$413.91 | \$256,624.20 |
| 4 | Remove & Replace Existing Thermoplastic Stripes, Pavement Markings and Markers per Sections 310 & 312 | 1 LS | \$40,000.00 | \$40,000.00 | \$65,000.00 | \$65,000.00 | \$79,000.00 | \$79,000.00 | \$64,592.85 | \$64,592.85 |
| 5 | Microsurfacing (Final Quantity) per Section 302-14 | 4488 SY | \$3.75 | \$16,830.00 | \$2.50 | \$11,220.00 | \$4.00 | \$17,952.00 | \$2.84 | \$12,745.92 |
| 6 | Asphalt Rubber Chip Seal (Final Quantity) per Section 302-10 | 57967 SY | \$4.40 | \$255,054.80 | \$4.23 | \$245,200.41 | \$4.50 | \$260,851.50 | \$5.40 | \$313,021.80 |
| 7 | Emulsion Aggregate Slurry (Final Quantity) per Section 302-4 | 98696 SY | \$2.25 | \$222,066.00 | \$2.00 | \$197,392.00 | \$1.65 | \$162,848.40 | \$2.60 | \$256,609.60 |
| 8 | Adjust Sanitary Sewer or Storm Water Manhole Frame and Cover to Grade per Section 301-1.6 | 8 EA | \$1,800.00 | \$14,400.00 | \$1,000.00 | \$8,000.00 | \$1,150.00 | \$9,200.00 | \$3,150.00 | \$25,200.00 |
| 9 | Adjust Survey Monument or Sanitary Sewer Lamphole Frame and Cover to Grade per Section 301-1.6 | 8 EA | \$1,500.00 | \$12,000.00 | \$1,000.00 | \$8,000.00 | \$1,000.00 | \$8,000.00 | \$2,100.00 | \$16,800.00 |
| 10 | Remove and Reinstall Speed Cushions per Section 312-5 | 3 EA | \$2,000.00 | \$6,000.00 | \$6,000.00 | \$18,000.00 | \$6,000.00 | \$18,000.00 | \$6,300.00 | \$18,900.00 |

BID SUMMARY

PROJECT TITLE: Annual Street Sealing 2015-16

PROJECT NO.: 2016.0070

BID NO.: 15-16.013

| BID OPENING | | | ENGINEER'S ESTIMATE | | American Asphalt Repair & Resurfacing Co., Inc. 24200 Clawiter Road Hayward, CA 94545 Phone: (510) 723-0280 Fax: (510) 723-0288 | | Telfer Pavement Technologies 4522 Parker Avenue, Suite 350 McClellan, CA 95652 Phone: (916) 383-1756 Fax: (916) 383-4084 | | VSS International, Inc. 3785 Channel Drive West Sacramento, CA 95691 Phone: (916) 373-1500 Fax: (916) 373-0183 | |
|---|---|----------|--|--------------|---|--------------|--|----------------|--|----------------|
| DATE: Tuesday, May 24, 2016 TIME: 3:00 p.m. LOCATION: City Clerk's Office | | | Date Approved: 4/25/2016 Prepared by: J. O'Driscoll | | | | | | | |
| ITEM NO. | ITEM | QUANTITY | UNIT COST | ITEM COST | UNIT COST | ITEM COST | UNIT COST | ITEM COST | UNIT COST | ITEM COST |
| 11 | Paint Concrete Curbs per Section 310 | 650 LF | \$5.00 | \$3,250.00 | \$2.00 | \$1,300.00 | \$2.00 | \$1,300.00 | \$2.10 | \$1,365.00 |
| TOTAL BASE BID: | | | | \$778,600.80 | | \$842,912.41 | | \$951,051.90 | | \$1,095,000.00 |
| ADDITIVE BID A | | | | | | | | | | |
| 1A | Mobilization, Staging & Stockpiling per Sections 7-8.4 & 9-3.4 | 1 LS | \$8,000.00 | \$8,000.00 | \$3,000.00 | \$3,000.00 | \$5,400.00 | \$5,400.00 | \$1,318.72 | \$1,318.72 |
| 2A | Traffic Control And Construction Signs per Section 315 | 1 LS | \$10,000.00 | \$10,000.00 | \$3,000.00 | \$3,000.00 | \$12,000.00 | \$12,000.00 | \$6,930.00 | \$6,930.00 |
| 3A | Distressed Pavement Repair (Dig Outs) per Section 302-3 | 190 TN | \$200.00 | \$38,000.00 | \$250.00 | \$47,500.00 | \$425.00 | \$80,750.00 | \$413.91 | \$78,642.90 |
| 4A | Remove & Replace Existing Thermoplastic Stripes, Pavement Markings and Markers per Sections 310 & 312 | 1 LS | \$10,000.00 | \$10,000.00 | \$9,200.00 | \$9,200.00 | \$11,200.00 | \$11,200.00 | \$9,922.50 | \$9,922.50 |
| 6A | Asphalt Rubber Chip Seal (Final Quantity) per Section 302-10 | 4752 SY | \$4.40 | \$20,908.80 | \$3.50 | \$16,632.00 | \$4.50 | \$21,384.00 | \$5.93 | \$28,179.36 |
| 7A | Emulsion Aggregate Slurry (Final Quantity) per Section 302-4 | 23453 SY | \$2.25 | \$52,769.25 | \$2.10 | \$49,251.30 | \$1.65 | \$38,697.45 | \$2.84 | \$66,606.52 |
| 8A | Adjust Sanitary Sewer or Storm Water Manhole Frame and Cover to Grade per Section 301-1.6 | 2 EA | \$1,500.00 | \$3,000.00 | \$1,000.00 | \$2,000.00 | \$2,500.00 | \$5,000.00 | \$3,150.00 | \$6,300.00 |
| 9A | Adjust Survey Monument or Sanitary Sewer Lamphole Frame and Cover to Grade per Section 301-1.6 | 1 EA | \$1,200.00 | \$1,200.00 | \$1,000.00 | \$1,000.00 | \$2,400.00 | \$2,400.00 | \$2,100.00 | \$2,100.00 |
| TOTAL ADDITIVE BID A: | | | | \$143,878.05 | | \$131,583.30 | | \$176,831.45 | | \$200,000.00 |
| TOTAL BASE BID: | | | | \$778,600.80 | | \$842,912.41 | | \$951,051.90 | | \$1,095,000.00 |
| TOTAL BASE BID + ADDITIVE BID A: | | | | \$922,478.85 | | \$974,495.71 | | \$1,127,883.35 | | \$1,295,000.00 |

BID SUMMARY

PROJECT TITLE: Annual Street Sealing 2015-16

PROJECT NO.: 2016.0070

BID NO.: 15-16.013

| BID OPENING | | ENGINEER'S ESTIMATE | | American Asphalt Repair & Resurfacing Co., Inc. 24200 Clawiter Road Hayward, CA 94545 Phone: (510) 723-0280 Fax: (510) 723-0288 | Telfer Pavement Technologies 4522 Parker Avenue, Suite 350 McClellan, CA 95652 Phone: (916) 383-1756 Fax: (916) 383-4084 | VSS International, Inc. 3785 Channel Drive West Sacramento, CA 95691 Phone: (916) 373-1500 Fax: (916) 373-0183 | | | | |
|---|------|--|-----------|---|--|--|-------------------------|-----------|-------------------------|-----------|
| DATE: Tuesday, May 24, 2016 TIME: 3:00 p.m. LOCATION: City Clerk's Office | | Date Approved: 4/25/2016 Prepared by: J. O'Driscoll | | | | | | | | |
| ITEM NO. | ITEM | QUANTITY | UNIT COST | ITEM COST | UNIT COST | ITEM COST | UNIT COST | ITEM COST | UNIT COST | ITEM COST |
| SUBCONTRACTORS: | | | | | Chrisp Company American Pavement Systems | | Chrisp Company | | Chrisp Company | |
| SECURITIES: | | | | | 10% Bid Bond | | 10% Bid Bond | | 10% Bid Bond | |
| NOTES: | | | | | ** Addendum #1 Received | | ** Addendum #1 Received | | ** Addendum #1 Received | |

Reviewed by: *John O'Driscoll* Date: 5/25/16
John O'Driscoll, Project Manager

Reviewed by: *Austine Osakwe* Date: 5/25/16
Austine Osakwe, Senior Engineer



City of San Leandro

Meeting Date: June 20, 2016

Resolution - Council

File Number: 16-251

Agenda Section: CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Keith Cooke
Engineering & Transportation Director

FINANCE REVIEW: David Baum
Finance Director

TITLE: RESOLUTION to Award a Construction Contract to American Asphalt Repair and Resurfacing Co., Inc. for the Annual Street Sealing 2015-16 Project, Project No. 2016.0070; authorization for the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount; and authorization for the City Manager to negotiate and approve cumulative change orders up to 15% of the original contract amount; City Council approval to appropriate \$750,000.00 from Measure B Fund; and to appropriate \$50,000.00 from General Fund-Economic Uncertainty Fund reserves to be reimbursed from the California Department of Resources Recycling and Recovery (CalRecycle)

WHEREAS, the City of San Leandro, on May 24, 2016, did publicly open, examine and declare all sealed proposals or bids for doing the work described in the bid documents for the subject project; and

WHEREAS, said proposals were submitted to the Engineering and Transportation Director who finds that the proposal hereinafter mentioned is the lowest responsive bid by a responsible bidder for doing said work of the Base Bid and Additive Bid A; and

WHEREAS, the subject project is categorically exempt from the California Environmental Quality Act; and

WHEREAS, change orders to clarify the work or respond to unusual existing conditions are a normal aspect of public contracting and construction; and

WHEREAS, in order to expedite the delivery of public projects on schedule and on budget, provide that subcontractors and workers are paid in a timely fashion, avoid as much as possible costly delay claims, and insure that the City completes projects and products that are to the City's highest standards, the City Council finds that providing authorization to negotiate and approve change orders is in the best interest of public health, safety and welfare; and

WHEREAS, the City was awarded a grant of up to \$50,000.00 from the California Department of Resources and Recycling for the use of recycled rubber content in the rubberized chip seal process.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

That said City Council hereby rejects all of said proposals or bids except that herein mentioned; hereby waives any irregularities in the proposal or bid of the lowest responsible bidder; and hereby awards the contract for doing said work of the Base Bid and Additive Bid A to the lowest responsible bidder therefore, to wit, American Asphalt Repair and Resurfacing Co., in the amount of \$974,495.71;

That the City Manager or his designee is authorized to negotiate and approve individual change orders up to a maximum of 5% of the original contract amount, or \$48,724.79 each.

That the City Manager or his designee is authorized to negotiate and approve cumulative change orders up to a maximum of 15% of the original contract amount, or \$146,174.79; and

That \$750,000.00 is hereby appropriated from Measure B Fund balance to account 144-38-376; and

That \$50,000.00 is hereby appropriated from the General Fund-Economic Uncertainty Fund reserves to account 150-38-376 to be reimbursed by CalRecycle Grant; and

BE IT FURTHER RESOLVED:

That if the above named contractor is unable to execute the contract, then the City Manager is authorized to award this contract to the next lowest responsible bidder, execute all documents to effect the award, and take all actions necessary to recover any bid security from the low bidder necessary to make the City whole in its acceptance of the lowest bid.