



# City of San Leandro

Meeting Date: July 17, 2017

## Staff Report

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**File Number:** 17-396 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.L.

**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 \$3,048,462 Construction Contract to DeSilva Gates Construction, L.P. for the Annual Overlay / Rehabilitation 2016-17 Project Phase 1, Project No. 2017.0050; 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

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### SUMMARY AND RECOMMENDATIONS

This contract provides for repaving of the City streets listed on an attachment to this report.

Staff recommends the following actions:

- Awarding the construction contract to DeSilva Gates Construction, L.P. in the amount of \$3,048,462 for Phase 1 of the subject project;
- Authorizing individual change orders up to 5% of the original contract (\$152,423), and authorizing a total change order amount up to 15% of the original contract (\$457,269);

### BACKGROUND

For ease of management and to reduce inconvenience to residents, the Annual Overlay/Rehabilitation 2016-17 Project was split into two phases. Phase 1, which is this project, will be constructed first, while Phase 2 is expected to be awarded in late 2017. This project includes two types of street repair, overlay and reconstruction. Phase 1 of the project involves overlay of 3.7 lane-miles of roadway on six streets. Overlay is less expensive than reconstruction and is performed on streets that have deteriorated beyond what can be repaired using a street sealing treatment but which have not yet completely failed and can be restored with an overlay treatment of asphalt concrete pavement. Overlays involve the removal of the top layer of existing pavement, completing spot repairs of failed subgrade areas, and replacing the top layer with new asphalt pavement. This overlay method is applied

only if the roadway does not have a very high crown which is a steep slope from the center of the street to the gutter.

Reconstruction is a more expensive pavement repair method and is implemented when a street has completely failed. Reconstruction involves the removal of the entire existing pavement section, strengthening the road base by mixing cement into the existing subgrade, recompacting the subgrade to remove voids resulting from the cement mixing and replacing the entire thickness of pavement.

This project will incorporate recycled rubber asphalt concrete in the rehabilitation of certain streets. The California Department of Resources Recycling and Recovery (CalRecycle) will reimburse the City based on the differential cost between the actual conventional asphalt and the rubberized asphalt costs through a grant. Rubberized asphalt is made by blending ground-up recycled tires with asphalt to produce a binder which is then mixed with conventional aggregate materials. The use of recycled tires provides an opportunity to reduce the quantity of non-biodegradable byproducts from polluting the environment and aligns with the City's sustainability efforts under the Climate Action Plan. Rubberized asphalt concrete is a new material for City streets that will be utilized on Teagarden Street as a pilot project and will divert approximately 1,334 tires from the waste stream. If the pavement performs as expected, the material may be used on future projects.

Overlay or reconstruction of streets triggers requirements to upgrade all deficient curb ramps adjacent to the work. As part of this project and in compliance with the Americans with Disabilities Act (ADA), 29 curb ramps and associated upgrades will be constructed in Phase 1. The project will also incorporate relevant portions of the City's Bicycle and Pedestrian Master Plan.

This project also includes the installation of new speed humps on Castro Street and 138th Avenue that were requested by residents that participated in the 2016-17 Neighborhood Traffic Calming Program. Additionally, Phase 1 of the project involves restriping of San Leandro Boulevard from the City's north limit to north of San Leandro Creek to be one lane in each direction with a two-way left turn lane, bike lanes, and safety improvements at the Best Avenue intersection. All of this work is expected to be completed in 60 working days.

### **Analysis**

Bids were opened on June 26, 2017. The one bid received was \$3,048,462 from DeSilva Gates Construction, L.P. The pre-bid engineer's estimate for construction was \$2,620,569. Staff contacted other firms that attended the pre-bid conference but elected not to submit bids and learned that they chose not to bid due to an already heavy work load.

The bidder does not have an office in San Leandro that would qualify them as a local business per the Local Inclusion Policy Ordinance. Also, the bidder has not met the Local Business Participation Goal of 25% by subcontracting with San Leandro businesses for 25% of the contract value. The bidder had one local subcontractor, St. Francis Electric, whose subcontract for \$4,500 represents 0.15% of the total contract value. However, the bidder provided documentation that demonstrated completion of the required good faith efforts to meet the local business participation goal.

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. At the mandatory pre-bid meetings, staff presented the requirements of the Local Inclusion Policy Ordinance, responded to bidder questions, and provided contact information for free technical assistance if needed. Bidders were also provided with a list of contractors performing trades applicable to this project's construction that currently hold business licenses with the City of San Leandro.

This project is subject to the provisions of the Community Workforce Agreement (CWA). Each attendee was advised of the agreement in writing and verbally at the mandatory pre-bid meetings and was given contact information for the Bay Area Business Roundtable, an organization hired by the City to provide free guidance in achieving compliance with the CWA. The bidder will sign the Community Workforce Agreement commitment form with the other contract documents.

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 to 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 \$152,423) of the original contract amount and cumulative change orders up to 15% (or \$457,269) of the original contract amount. This will ensure efficient completion of the project on budget and on schedule.

### **Current Agency Policies**

- Maintain and enhance San Leandro's infrastructure.

### **Previous Actions**

- On June 15, 2015, by Resolution No. 2015-104, the City Council approved a Community Workforce Agreement with the Alameda County Building and Construction Trades Council and its affiliated local unions governing labor procedures for City construction projects valued above \$1,000,000.

### **Applicable General Plan Policies**

- Goal T-2: Design and operate streets to be safe, attractive, and accessible for all transportation users whether they are pedestrians, bicyclist, transit riders or motorists, regardless of age or ability.
- Goal T-5: Improve major transportation arteries for circulation in and around the City.
  - Policy T-5.3: Maintenance.
- Goal T-6: Minimize the adverse effects of business, industrial, and through traffic on neighborhood streets.
  - Policy T6-1: Traffic Calming Strategies.

- Goal T-7: Improve traffic safety and reduce the potential for accidents on San Leandro streets.
  - Policy T-7.2: Capital Improvements.
    - Action T-7.2B: Pedestrian Safety Improvements.

**Environmental Review**

This project is categorically exempt from the 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 24, 2017.

**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.
- Two mandatory pre-bid meetings were held on June 6 and June 13, 2017. The intent of these meetings was to inform bidders of the project details including the City's Local Inclusion Ordinance and Community Workforce Agreement.

Prior to construction, staff will notify residents of the streets in the project areas and provide a project construction schedule. The contractor will also provide notification in the form of door hangers immediately before the work. Changeable message boards to notify the public of proposed work will be placed on San Leandro Boulevard and Teagarden Street one week prior to the start of work at those locations.

**Fiscal Impacts**

The estimated project costs of Phase 1 are \$3,239,963.

**Phase 1:**

Design and Bid:	\$ 152,000
Construction:	\$3,048,462
CM and Inspection:	\$ 189,000
<u>Construction Contingency:</u>	<u>\$ 310,600</u>
<b>Total</b>	<b>\$3,700,062</b>

**Budget Authority**

This project will be funded as follows:

<u>Account No.</u>	<u>Reso., Appropriation Dates &amp; Source</u>	<u>Amount</u>
140-38-334	Reso. 2016-121, Gas Tax	\$ 69,418
141-39-024	FY 2016-17 Budget, Measure BB Grant	\$3,000,000

141-38-377	FY 2016-17 Budget, Measure BB	\$1,275,000
144-38-377	FY 2016-17 Budget, Measure B	\$ 310,000
142-38-377	FY 2016-17 Budget, Gas Tax	\$ 380,000
210-38-377	FY 2016-17 Budget, General Fund	\$1,000,000
<u>150-38-405</u>	<u>Reso. 2016-157, CalRecycle Grant 15-16</u>	<u>\$ 201,025</u>
	<b>Total</b>	<b>\$6,235,443</b>

ATTACHMENTS

- List of street segments to receive overlay and reconstruction
- Summary Map of 2016-17 Maintenance Projects
- Bid Summary - Annual Overlay / Rehabilitation 2016-2017 Phase 1

**PREPARED BY:** Ingrid Lin, Associate Engineer, Engineering and Transportation Department

**PHASE 1**

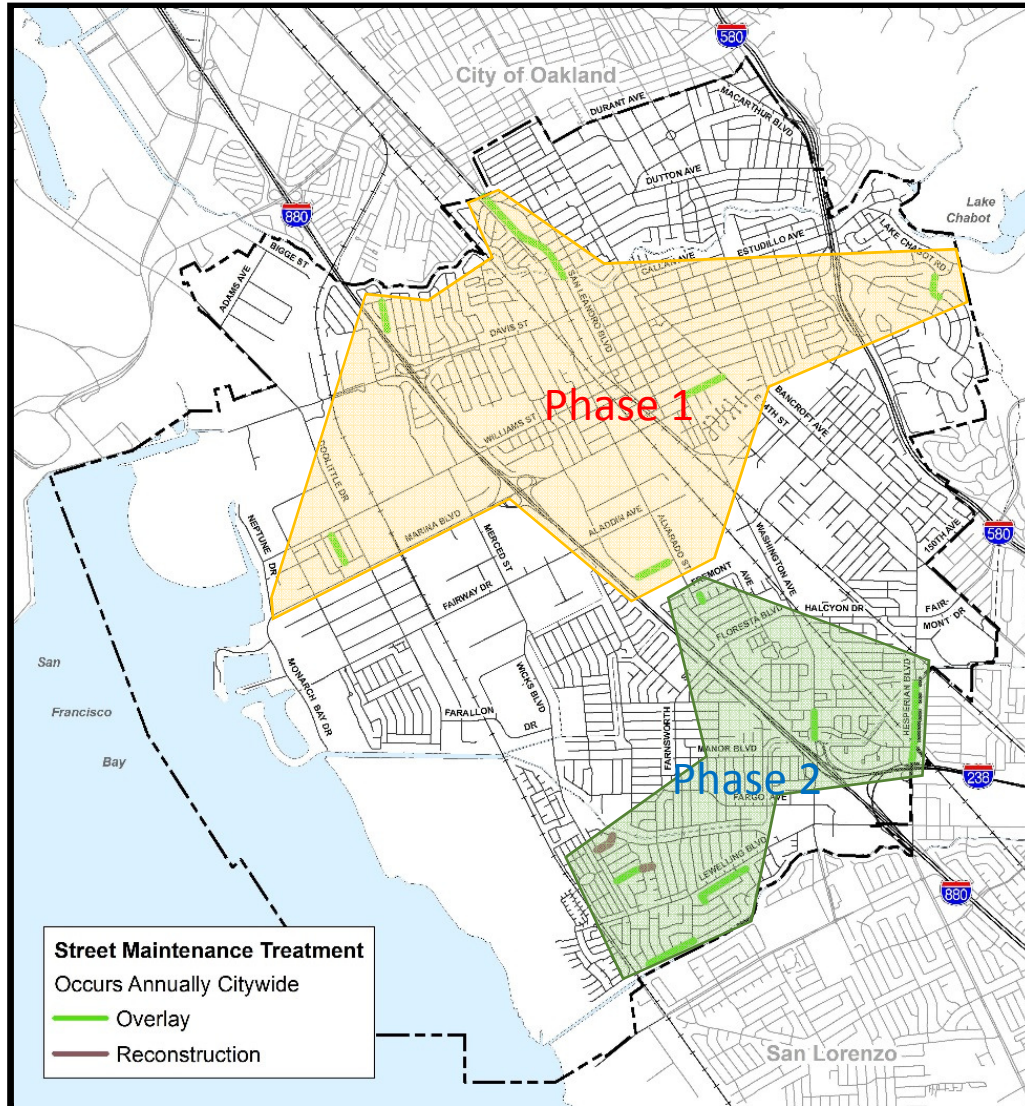
Mill and Fill Streets		
Street Name	Start Location	End Location
Estabrook Street	East 14th Street	Washington Avenue
Fairbanks Street	Barrow Street	Sitka Street
Longview Drive	Astor Drive	Skyview Drive
O'Donnell Avenue	Reynolds Street	Grover Cleveland Park
San Leandro Boulevard	North City Limits	San Leandro Creek
Teagarden Street	Alvarado Street	1000' w/o Alvarado

**PHASE 2**

Mill and Fill Streets		
Street Name	Start Location	End Location
Arena Street	Laverne Avenue	Elvina Drive
Belleau Street	Marne Street	Maureen Street
Del Mar Circle	Portola Drive	Cul de Sac
Hesperian Boulevard	Thornally Drive	CV Freeway
Marne Street	Breckenridge Street	Belleau Street
Vining Drive	Farnsworth Street	Cranbrook Street
Washington Avenue	60' s/o Anza Way	880 Off Ramp
Reconstruction Streets		
Arena Street	Mendocino Street	Laverne Drive
Kappa Avenue	Laverne Drive	Elvina Drive



# Annual Street Overlay/Rehabilitation Projects 2017



## PHASE 1

Mill and Fill Streets		
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Fairbanks Street	Barrow Street	Sitka Street
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Washington Avenue	60' s/o Anza Way	880 Off Ramp
Reconstruction Streets		
Arena Street	Mendocino Street	Laverne Drive
Kappa Avenue	Laverne Drive	Elvina Drive

# 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 Overlay/Rehabilitation 2016-17 Phase 1  
 PROJECT NO.: 2017.0050  
 BID NO.: 16-17.024

BID OPENING			ENGINEER'S ESTIMATE		DeSilva Gates Construction LP	
DATE: Monday, June 26, 2017			Date Approved: 6/21/2017		11555 Dublin Boulevard	
TIME: 3:00 p.m.			Prepared by: Ingrid Lin		Dublin, CA 94568	
LOCATION: City Clerk's Office					Phone: (925) 829-9220	
					Fax: (925) 803-4263	
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST
1	Mobilization and General Conditions per Section 9-3.4	1 LS	\$220,000.00	\$220,000.00	\$300,000.00	\$300,000.00
2	Traffic and Pedestrian Control, Temp. Signage per Section 315-2, 600, and 601.	1 LS	\$170,000.00	\$170,000.00	\$259,000.00	\$259,000.00
3	Potholing per Section 306-0	4 EA	\$1,000.00	\$4,000.00	\$1,500.00	\$6,000.00
4	Install Curb and Gutter per City Std Plan 100 and Section 303-5	918 LF	\$80.00	\$73,440.00	\$70.00	\$64,260.00
5	Concrete Sidewalk per City Standard Plan 100 and Section 303-5	223 SF	\$20.00	\$4,460.00	\$15.00	\$3,345.00
6	Concrete Driveway per City Standard Plan 102 and Section 303-5	135 SF	\$30.00	\$4,050.00	\$25.00	\$3,375.00
7	Install AC Tie-in per City Std Plan 128 and Section 302-5	1820 SF	\$20.00	\$36,400.00	\$10.00	\$18,200.00
8	Install Wheelchair Curb Cut Ramp per City Std Plan 106A/106B and Section 303-5	3986 SF	\$20.00	\$79,720.00	\$25.00	\$99,650.00
9	Relocate Existing Street Sign Panels per City Std Plan 136 and Section 315-1	8 EA	\$200.00	\$1,600.00	\$300.00	\$2,400.00
10	Adjust City SDMH Frame and Covers to Grade per City Standard Plan 222 and Section 301-1.6	5 EA	\$2,000.00	\$10,000.00	\$2,500.00	\$12,500.00
11	Adjust City SSMH Frame and Cover to Grade per City Std Plan 222 and Section 301-1.6	25 EA	\$2,000.00	\$50,000.00	\$2,500.00	\$62,500.00



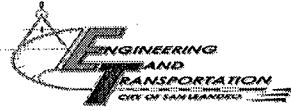


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					Fax: (925) 803-4263	
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST
12	Replace SSCO w/ Type A Manhole per City Std Plan 214 and Section 301-1.6	3 EA	\$11,000.00	\$33,000.00	\$10,000.00	\$30,000.00
13	Adjust City Monuments per Section 301-1.6	9 EA	\$1,500.00	\$13,500.00	\$2,000.00	\$18,000.00
14	Remove and Rebuild City Monument per City Standard Plan Per Section 309-3	1 EA	\$3,000.00	\$3,000.00	\$5,000.00	\$5,000.00
15	Adjust EBMUD Water Valve lids to Grade per Section 301-1.6	34 EA	\$1,500.00	\$51,000.00	\$1,200.00	\$40,800.00
16	Not Used.		\$0.00	\$0.00	\$0.00	\$0.00
17	AC Milling and Offhaul (Final Qty) per Section 302-1	2,618 TN	\$40.00	\$104,720.00	\$45.00	\$117,810.00
18	AC Milling and Offhaul w/ Petromat (Final Qty) per Section 302-1	7,111 TN	\$42.00	\$298,662.00	\$55.00	\$391,105.00
19	Remove and Offhaul Base Material per Section 300-2	280 TN	\$50.00	\$14,000.00	\$80.00	\$22,400.00
20	Compact Existing Street Base per Section 301-2.3	31,003 SY	\$3.00	\$93,009.00	\$2.00	\$62,006.00
21	Aggregate Base per Section 301-2	280 TN	\$60.00	\$16,800.00	\$50.00	\$14,000.00
22	Install Geogrid per Section 300-10	708 SY	\$6.00	\$4,248.00	\$2.00	\$1,416.00
23	AC Paving per Section 302-5	8,840 TN	\$100.00	\$884,000.00	\$120.00	\$1,060,800.00
24	RAC Paving per Section 302-9	889 TN	\$125.00	\$111,125.00	\$130.00	\$115,570.00
25	AC Digout Repairs per Section 302-3	344 TN	\$220.00	\$75,680.00	\$325.00	\$111,800.00
26	Install Pavement Reinforcement Mesh per Section 302-14	22,967 SY	\$5.00	\$114,835.00	\$5.00	\$114,835.00
27	Replace Loop Detectors per Section 700 and 701	11 EA	\$500.00	\$5,500.00	\$550.00	\$6,050.00



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ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST
28	Thermoplastic Stripes, Pavement Markings, and Curb Painting per Section 314	1 LS	\$65,000.00	\$65,000.00	\$30,000.00	\$30,000.00
29	Standard 6'-6" By 6'-8" Rubber Speed Cushion per City Std Plan 131 A/B and Section 314-6	22 EA	\$1,800.00	\$39,600.00	\$2,000.00	\$44,000.00
30	Standard 10'-6" By 6'-8" Rubber Speed Cushion City Std Plan 131 A/B and Section 316	2 EA	\$2,500.00	\$5,000.00	\$3,000.00	\$6,000.00
31	MUTCD Street Signage (W13-1 "15MPH" / W17-1 "Speed Bump) per City Std Plan 131 A/B and 136, and Section 315	4 EA	\$300.00	\$1,200.00	\$400.00	\$1,600.00
32	Concrete Apron per City Standard Plan 114 and Section 303-5	176 SF	\$20.00	\$3,520.00	\$40.00	\$7,040.00
33	Install Detectable Warning Surface per City Std Plan 106D	5 EA	\$500.00	\$2,500.00	\$1,000.00	\$5,000.00
34	Remove Existing SSCO and Pipe Through per Section 306-3, 306-4, and 306-7.8	1 EA	\$27,000.00	\$27,000.00	\$12,000.00	\$12,000.00
<b>TOTAL BASE BID:</b>				<b>\$2,620,569.00</b>		<b>\$3,048,462.00</b>
<b>REQUIRED DOCUMENTATION:</b>		Addendum #1 Acknowledgement		Addendum #1 Received		
		Bid Bond		Bid Bond Received		
		San Leandro Local Business		N/A		
		25 % Participation		N/A		
		Good Faith Effort		Received & Acceptable		



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ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST
SUBCONTRACTORS:						
SECURITIES:						
NOTES:						
				TDW Construction, Inc. Sposeto Engineering, Inc. St. Francis Electric Pacific Northwest Oil Striping Graphics  10% Bid Bond  ** Addendum #1 Received		

Reviewed by: Ingrid Lin Date: 6/28/17  
 Ingrid Lin, Project Manager

Reviewed by: Austine Osakwe Date: 6/28/17  
 Austine Osakwe, Senior Engineer



# City of San Leandro

Meeting Date: July 17, 2017

## Resolution - Council

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**File Number:** 17-397 **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 \$3,048,462 Construction Contract to DeSilva Gates Construction, L.P. for the Annual Overlay / Rehabilitation 2016-17 Project Phase 1, Project No. 2017.0050; Authorization for the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (\$152,423) of the Original Contract Amount; and Authorization for the City Manager to Negotiate and Approve Cumulative Change Orders up to 15% (\$457,269) of the Original Contract Amount

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WHEREAS, the City of San Leandro, on June 26, 2017, 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; 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.

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 to the lowest responsible bidder therefore, to wit, DeSilva Gates Construction, L.P. in the amount of \$3,048,462; and

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 \$152,423, each; and

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 \$457,269; 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.