



# City of San Leandro

Meeting Date: July 1, 2019

## Staff Report

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**File Number:** 19-288

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.C.

**TO:** City Council

**FROM:** Jeff Kay  
City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** Staff Report for a City of San Leandro City Council Resolution to Award a \$1,720,867 Construction Contract to American Pavement Systems, Inc. for the Annual Street Sealing 2018-19 Project, Project No. 2019.0070; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (or \$86,043) of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Change Orders up to a Cumulative Value not to Exceed 15% (or \$258,130) of the Original Contract Amount; and to Appropriate \$950,000 from the Measure BB Fund for the Project

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### SUMMARY AND RECOMMENDATIONS

This contract provides for the application of preventive maintenance treatments to 19 miles of pavement on 48 separate City street segments in the 2019 Asphalt Maintenance Zone work area as shown in the Project Area Map attachment. Curb ramp upgrades associated with this project were previously awarded in a separate construction contract.

Staff recommends the following actions:

- Award a construction contract of the base plus additive alternate bid "A" to American Pavement Systems, Inc. in the amount of \$1,720,867;
- Authorize the City Manager to negotiate and approve individual change orders up to 5% (or \$86,043) of the original contract amount;
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value of 15% (or \$258,130) of the original contract amount; and
- Appropriate Measure BB Funds in the amount of \$950,000 for the project.

### BACKGROUND

Street sealing is an annual maintenance activity that prolongs the useful life of streets. The treatments associated with this project include slurry seals and cape seals with asphalt rubber

chips. These treatments involve the application of one or more layers of aggregate materials, crumb rubber chips produced from recycled tires, and asphalt emulsions. The particular process is individually selected for each street based on its pavement condition.

The City is divided into four asphalt maintenance areas and each year maintenance work is concentrated within one area to improve efficiency while reducing costs. The worst streets that are suitable for each treatment within the 2019 Maintenance Area were chosen for this project, with priority given to arterial and collector streets that carry more vehicles. One of the benefits of the proposed project is its ability to extend the lifespan of streets in relatively good condition with minimum expense.

In advance of this work and in compliance with the Americans with Disabilities Act (ADA), the City Council awarded a \$799,373 contract to Rosas Brothers Construction for installation of curb ramps adjacent to cape seal work.

The California Department of Resources Recycling and Recovery (CalRecycle) awarded grant funds to the City for the use of crumb rubber chips derived from scrap rubber tires in the rubberized chip seal process. This grant funding provides \$70,000 to reimburse the City at a rate of \$1.00 per square yard. Not only does this use of recycled tires provide an excellent product, it provides for an opportunity to reduce the quantity of non-biodegradable byproducts from filling our landfills and polluting the environment and is in line with the City's sustainability efforts under the Climate Action Plan.

### **Analysis**

Bids were opened on May 29, 2019. Two (2) bids were received, \$1,720,867 and \$2,165,000 (base plus additive alternate bid "A"). The pre-bid engineer's estimate for construction was \$2,199,492 (base plus additive alternate bid "A"). Staff recommends award of the base plus additive alternate bid "A" to the lowest responsive bidder, American Pavement Systems, Inc. Staff verified the contractor has a valid Contractor's State License Board license and is registered with the California Department of Industrial Relations.

None of the bidders have an office in San Leandro that would qualify them 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 that demonstrated good faith efforts to outreach and engage local business participation. Staff verified that the contractor has a valid Contractor's State License Board license and is registered with the California Department of Industrial Relations. This project is also subject to the provisions of the Community Workforce Agreement (CWA) and all Bidders signed the CWA commitment form.

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 delays 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 authorization to negotiate and approve change orders. Therefore, staff

requests authority to negotiate and approve individual change orders up to 5% (\$86,034) of the original contract amount and cumulative change orders up to 15% (\$258,130) of the original contract amount. This will help to ensure efficient completion of the project on budget and on schedule.

**Current Agency Policies**

- Maintain and enhance San Leandro’s infrastructure

**Applicable General Plan Policies**

**Transportation Goal T-2** Design and operate streets to be safe, attractive, and accessible for all transportation users whether they are pedestrians, bicyclists, transit riders or motorists, regardless of age or ability.

**Transportation Goal T-3** Promote and accommodate alternative, environmentally-friendly methods of transportation, such as walking and bicycling.

**Transportation Goal T-5** Improve major transportation arteries for circulation in and around the city.

**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 3, 2019.

**Summary of Public Outreach Efforts**

- The Notice to Bidders was published in the Daily Review, the South County Post, Visión Hispana and Sing Tao.
- Staff also notified twenty-three 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 May 15 and May 21, 2019. The intent of these meetings was to inform bidders of the project details, including the City’s Local Inclusion Ordinance and the CWA.

Prior to construction, staff will notify the residents in the immediate proximity of the work areas. The contractor will also provide notification in the form of door hangers immediately before the work.

**Fiscal Impacts**

The total project cost is estimated at \$3,162,009 as follows:

Design and Bid:	\$78,728
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Construction Contract:	\$1,720,867
Construction Contingency:	\$258,130
<u>Construction Management and Inspection:</u>	<u>\$104,284</u>
Sub-total:	\$2,162,009
<u>Curb Ramp Upgrade Work (Previously Awarded)</u>	<u>\$1,000,000</u>
Project Total	\$3,162,009

**Budget Authority**

The work will be funded by the following appropriations:

<u>Account No.</u>	<u>Source</u>	<u>Fiscal Yr.</u>	<u>Amount</u>
144-38-393	Measure B Streets	FY17-18	\$258,000*
140-38-393	Gas Tax	FY18-19	\$42,000*
141-38-402	Measure BB Streets	FY18-19	\$1,180,000
142-38-402	Gas Tax (Sec. 2103)	FY18-19	\$350,000
143-38-402	Vehicle Registration Fees	FY18-19	\$400,000
150-38-402	Cal Recycle Grant	FY18-19	\$70,000
<b>Total Currently Appropriated</b>			<b>\$2,300,000</b>

Appropriation requested by this action to account 141-38-402	\$950,000
Total Proposed Project Funding:	\$3,250,000

\*indicates balance available for this year of the program

The appropriation requested will be from the available and current revenue of the Measure BB Fund balance

**ATTACHMENT**

- Bid Summary - Annual Street Sealing 2018-19
- Project Area Map

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

# 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 2018-19  
 PROJECT NO.: 2019.0070  
 BID NO.: 18-19.020

BID OPENING			ENGINEER'S ESTIMATE		American Pavement Systems, Inc.		Pavement Coatings Co.	
DATE: Wednesday, May 29, 2019 TIME: 2:00 p.m. LOCATION: City Clerk's Office			Date Approved: 5/3/2019 Prepared by: John O'Driscoll		1012 11th Street, Suite 1000 Modesto, CA 95354 Phone: (209) 522-2277 Fax: (209) 577-2564		2150 Bell Avenue, Suite 125 Sacramento, CA 95838 Phone: (916) 642-1751 Fax: (916) 313-3438	
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST
<b>BASE BID</b>								
1	Mobilization, Staging & Stockpiling per Sections 7-8.4 & 9-3.4	1 LS	\$65,000.00	\$65,000.00	\$80,000.00	\$80,000.00	\$200,000.00	\$200,000.00
2	Temporary Traffic Control per Section 600	1 LS	\$120,000.00	\$120,000.00	\$120,000.00	\$120,000.00	\$54,740.35	\$54,740.35 **
3	Tree Trimming by Arborist per Section 300-1	1 LS	\$20,000.00	\$20,000.00	\$6,000.00	\$6,000.00	\$47,000.00	\$47,000.00
4	Distressed Pavement Repair (Dig Outs) per Section 302-3	512 TN	\$265.00	\$135,680.00	\$300.00	\$153,600.00	\$380.00	\$194,560.00
5	Crack Sealing per Section 302-14	1 LS	\$24,000.00	\$24,000.00	\$18,000.00	\$18,000.00	\$32,860.55	\$32,860.55
6	Slurry Seal (Base Bid Final Quantity) per Section 302-14	34724 SY	\$3.50	\$121,534.00	\$2.90	\$100,699.60	\$3.00	\$104,172.00
7	Microsurfacing (Base Bid Final Quantity) per Section 302-14	89179 SY	\$4.00	\$356,716.00	\$2.90	\$258,619.10	\$3.10	\$276,454.90
8	Asphalt Rubber & Aggregate Membrane (Base Bid Final Quantity) per Section 302-10	85062 SY	\$6.50	\$552,903.00	\$4.40	\$374,272.80	\$6.00	\$510,372.00
9	Remove Existing, Replace Existing and Install New Thermoplastic Stripes, Pavement Markings and Markers per Sections 314	1 LS	\$160,000.00	\$160,000.00	\$80,000.00	\$80,000.00	\$110,000.00	\$110,000.00
10	Remove, Relocate, or Install Roadside Signs per Section 315	1 LS	\$12,000.00	\$12,000.00	\$7,500.00	\$7,500.00	\$10,000.00	\$10,000.00
11	Adjust Sanitary Sewer or Storm Water Manhole Frame and Cover to Grade per Section 301-1.6	8 EA	\$1,100.00	\$8,800.00	\$850.00	\$6,800.00	\$1,200.00	\$9,600.00

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 PROJECT NO.: 2019.0070  
 BID NO.: 18-19.020

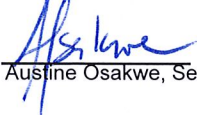
<b>BID OPENING</b>			<b>ENGINEER'S ESTIMATE</b>		American Pavement Systems, Inc.		Pavement Coatings Co.		
DATE: Wednesday, May 29, 2019			Date Approved: 5/3/2019		1012 11th Street, Suite 1000		2150 Bell Avenue, Suite 125		
TIME: 2:00 p.m.			Prepared by: John O'Driscoll		Modesto, CA 95354		Sacramento, CA 95838		
LOCATION: City Clerk's Office					Phone: (209) 522-2277		Phone: (916) 642-1751		
						Fax: (209) 577-2564		Fax: (916) 313-3438	
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	
12	Adjust Survey Monument or Sanitary Sewer Lamphole Frame and Cover to Grade per Section 301-1.6	8 EA	\$800.00	\$6,400.00	\$500.00	\$4,000.00	\$700.00	\$5,600.00	
<b>TOTAL BASE BID:</b>				\$1,583,033.00	\$1,209,491.50		\$1,555,359.80 **		
<b>ADDITIVE BID A</b>									
A1	Mobilization, Staging & Stockpiling per Sections 7-8.4 & 9-3.4	1 LS	\$20,000.00	\$20,000.00	\$25,000.00	\$25,000.00	\$15,000.00	\$15,000.00	
A2	Temporary Traffic Control per Section 600	1 LS	\$30,000.00	\$30,000.00	\$35,000.00	\$35,000.00	\$15,000.00	\$15,000.00	
A3	Tree Trimming by Arborist per Section 300-1	1 LS	\$5,000.00	\$5,000.00	\$2,600.00	\$2,600.00	\$20,000.00	\$20,000.00	
A4	Distressed Pavement Repair (Dig Outs) per Section 302-3	178 TN	\$265.00	\$47,170.00	\$282.00	\$50,196.00	\$380.00	\$67,640.00	
A5	Crack Sealing per Section 302-14	1 LS	\$9,000.00	\$9,000.00	\$16,600.00	\$16,600.00	\$30,000.00	\$30,000.00	
A6	Slurry Seal (Additive Bid Final Quantity) per Section 302-14	29433 SY	\$3.50	\$103,015.50	\$2.90	\$85,355.70	\$3.00	\$88,299.00	
A7	Microsurfacing (Additive Bid Final Quantity) per Section 302-14	35332 SY	\$4.00	\$141,328.00	\$2.90	\$102,462.80	\$3.10	\$109,529.20	
A8	Asphalt Rubber & Aggregate Membrane (Additive Bid Final Quantity) per Section 302-10	33407 SY	\$6.50	\$217,145.50	\$4.40	\$146,990.80	\$6.00	\$200,442.00	
A9	Remove Existing, Replace Existing and Install New Thermoplastic Stripes, Pavement Markings and Markers per Sections 314	1 LS	\$40,000.00	\$40,000.00	\$43,770.00	\$43,770.00	\$60,000.00	\$60,000.00	
A10	Adjust Sanitary Sewer or Storm Water Manhole Frame and Cover to Grade per Section 301-1.6	2 EA	\$1,100.00	\$2,200.00	\$850.00	\$1,700.00	\$1,000.00	\$2,000.00	
A11	Adjust Survey Monument or Sanitary Sewer Lamphole Frame and Cover to Grade per Section 301-1.6	2 EA	\$800.00	\$1,600.00	\$850.00	\$1,700.00	\$1,000.00	\$2,000.00	

# BID SUMMARY

PROJECT TITLE: Annual Street Sealing 2018-19  
 PROJECT NO.: 2019.0070  
 BID NO.: 18-19.020

<b>BID OPENING</b>		<b>ENGINEER'S ESTIMATE</b>		American Pavement Systems, Inc.	Pavement Coatings Co.				
DATE: Wednesday, May 29, 2019		Date Approved: 5/3/2019		1012 11th Street, Suite 1000	2150 Bell Avenue, Suite 125				
TIME: 2:00 p.m.		Prepared by: John O'Driscoll		Modesto, CA 95354	Sacramento, CA 95838				
LOCATION: City Clerk's Office				Phone: (209) 522-2277	Phone: (916) 642-1751				
				Fax: (209) 577-2564	Fax: (916) 313-3438				
ITEM NO.	ITEM	QUANTITY	UNIT COST	ITEM COST	UNIT COST	ITEM COST	UNIT COST	ITEM COST	
<b>TOTAL ADDITIVE BID A:</b>				\$616,459.00		\$511,375.30		\$609,910.20	
<b>TOTAL BASE BID:</b>				\$1,583,033.00		\$1,209,491.50		\$1,555,359.80	
<b>TOTAL ADDITIVE BID A:</b>				\$616,459.00		\$511,375.30		\$609,910.20	
<b>TOTAL BID:</b>				\$2,199,492.00		\$1,720,866.80		\$2,165,270.00 **	
<b>REQUIRED DOCUMENTATION:</b>		Bid Bond		YES			YES		
		San Leandro Local Business		NO			NO		
		25 % Participation		NO			NO		
		Good Faith Effort		YES			YES		
		Agreement to be Bound		YES			YES		
<b>SUBCONTRACTORS:</b>				CF Archibald, Inc. Graham Contractors Chrisp Company		Graham Contractors, Inc. Chrisp Company The Professional Tree Care Co. CF Archibald Paving, Inc.			
<b>SECURITIES:</b>				10% Bid Bond		10% Bid Bond			
<b>NOTES:</b>						<b>** Math Error Corrected</b>			

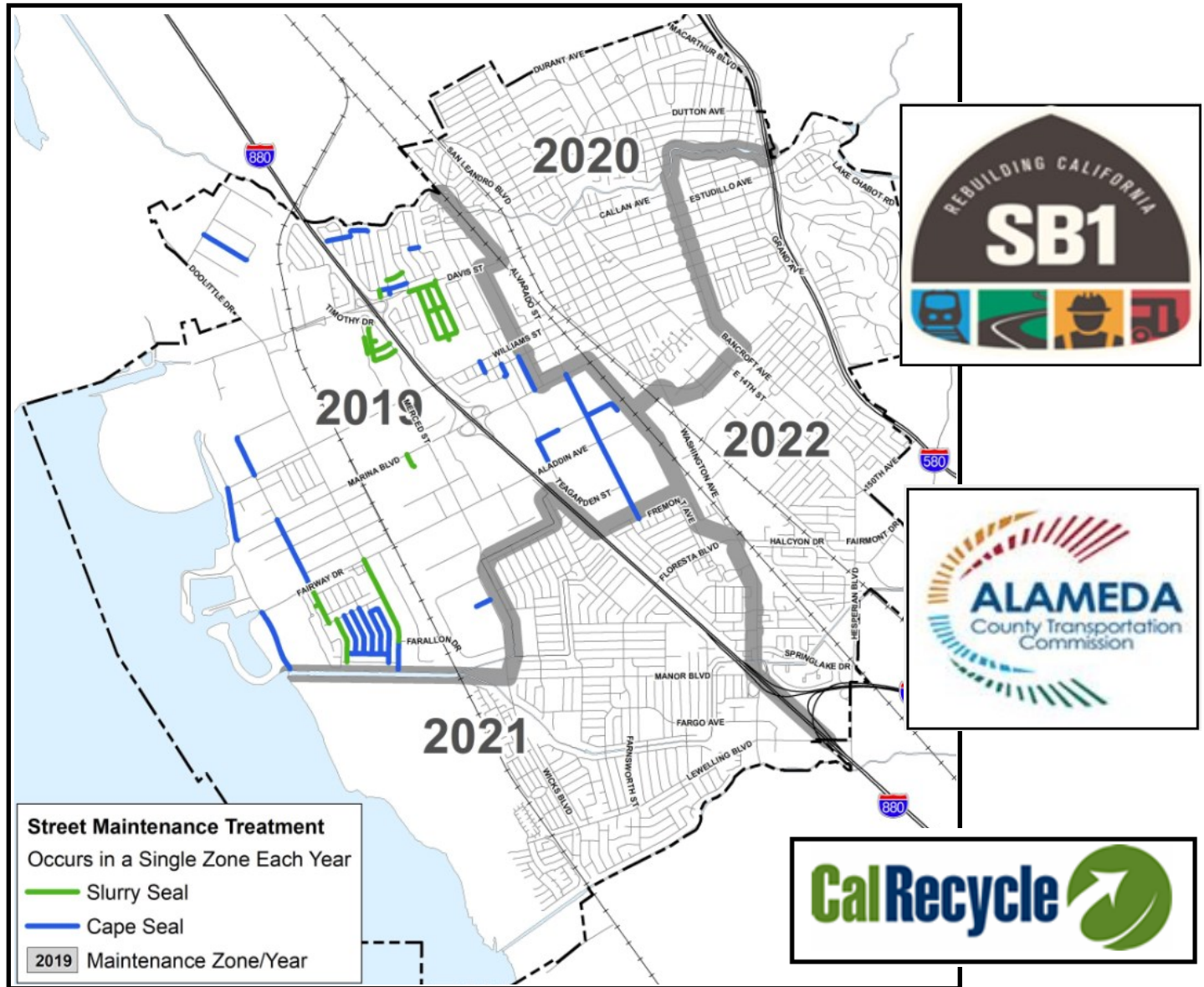
Reviewed by:  Date: 5/30/19  
 John O'Driscoll, Project Manager

Reviewed by:  Date: 5/30/19  
 Austine Osakwe, Senior Engineer

# Annual Street Sealing 2018-19 (\$3.3M)

San Leandro City streets are organized into four asphalt concrete (AC) maintenance areas. This 2019 project will apply preservation surface treatments to a number of streets in north-western quadrant of the City. Streets in this quadrant, that are not overly distressed, were evaluated and selected for the appropriate preservation application. Treatments include slurry seal, asphalt rubber chip seal, and micro-surfacing.

The project will also upgrade curb ramps to meet current Americans with Disabilities Act (ADA) standards



Construction is scheduled for summer 2019. This project will treat a total of 19.0 lane miles of roadway.

This project was made possible with the following funding:- SB-1, Gas Tax, CalRecycle grant, and Measure B/BB funds.

Measure B/BB funds are administered by Alameda County Transportation Commission (Alameda CTC).

Information regarding this and other regional Measure B funded projects can be found at the [Alameda CTC's website](#).

Project Manager: John O'Driscoll

510-577-3494

jodriscoll@sanleandro.org





# City of San Leandro

Meeting Date: July 1, 2019

## Resolution - Council

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**File Number:** 19-289

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Jeff Kay  
City Manager

**BY:** Keith Cooke  
Engineering & Transportation Director

**FINANCE REVIEW:** David Baum  
Finance Director

**TITLE:** RESOLUTION of the City of San Leandro City Council to Award a \$1,720,867 Construction Contract to American Pavement Systems, Inc. for the Annual Street Sealing 2018-19 Project, Project No. 2019.0070; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (or \$86,043) of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Change Orders up to a Cumulative Value not to Exceed 15% (or \$258,130) of the Original Contract Amount; and to Appropriate \$950,000 from the Measure BB Fund to the Project; (Provides for the application of preventive maintenance treatments on City street segments in the 2019 Asphalt Maintenance Area and authorization for the City Manager to negotiate and execute contract change orders up to 15% of the total contract amount)

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WHEREAS, the City of San Leandro did, on May 29, 2019, 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, the State of California Department of Resources Recycling and Recovery awarded the City of San Leandro a grant, which will be reimbursed at a certain rate of the costs associated with incorporating recycled tires in the project; 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 the base bid plus the bid alternate "A" for doing said work to the lowest responsible bidder, to wit, American Asphalt Systems, Inc., in the amount of \$1,720,867; 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 \$86,043 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 \$258,130; and

That \$950,000 is hereby appropriated from Measure BB Fund balance to account 141-38-393 to complete the project; 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.