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Adopt a Resolution to Authorize the City Manager to Negotiate and approve and Increase Individual Change Orders limits from 5% to 15% (from \$18,588 to \$55,765) and Cumulative Change Orders limits from 50% to 100% (from \$185,880 to \$371,764) of the Original Contract Amount for the Annual Sidewalk Repair Program 2023-2024, Project No. 2023.0060.

..Staffreport

COUNCIL PRIORITY

- Public Safety
- Infrastructure
- Economic Development

SUMMARY

The original project contract provides for the repair of damaged sidewalks, curbs and gutters, driveway approaches, and the installation of new curb ramps. An increase in change order authority would enable additional improvements at public facilities to be constructed sooner. The improvements will bring public facilities into compliance with the Americans with Disabilities Act (ADA) and incorporate changes to improve cleanliness and aesthetics.

RECOMMENDATIONS

Staff recommends the following actions:

1. Authorize the City Manager to Negotiate and Approve an Increase to the Individual Change Order limit from 5% to 15% (from \$18,588 to \$55,765) of the original construction contract amount; and
2. Authorize the City Manager to Negotiate and Approve an increase in the Cumulative Change Orders Cap from 50% to 100% (from \$185,880 to \$371,764) of the original construction contract amount; and
3. Expansion of this contract to incorporate modifications to San Leandro Downtown Area to improve cleanliness and aesthetics

BACKGROUND

On November 6, 2023, the City Council awarded a \$371,764 contract to Villalobos & Associates Inc. for the Annual Sidewalk Repair Program 2023-2024, Project No. 2023.0060 and authorized the City Manager to negotiate and approve individual contract change orders up to 5% and cumulative change orders up to 50% of the original contract amount.

The contract's original scope included repairing damaged sidewalks, replacing and/or upgrading existing curb ramps to meet current ADA standards, and installing new ADA compliant curb ramps where needed.

Recent work at the Washington Manor Family Aquatic Center highlighted the need for additional ADA improvements to ensure accessibility to the Aquatic Center from the parking lot. Raising the cumulative change order limit will allow incorporation of this work within this construction contract, ensuring ADA requirements are met at the completion of the pool renovation work (Project No. 2023.3400) . The added work not in the City ROW at the Aquatic center will be funded from the existing approved budget for the Washington Manor Swimming Pool Rehabilitation project. No additional budget allocation is being requested for the Annual Sidewalk Repair Program 2023-2024.

During the duration of this contract, reports of tripping hazards due to unlevelled pavers located in the Downtown area were received. The levelling and repairs of shifting pavers in this area are prioritized to mitigate potential liability aligned with ensuring public safety. The beautification of the Downtown Area which will be done by leveling pavers preemptively along with trip hazards is in-line with the goals of the Beautify San Leandro Project, which was funded with American Rescue Plan Act (ARPA) monies President Biden signed into law on March 11, 2021. ARPA funds from the Beautify San Leandro Project will pay for the cost to repair the unlevelled pavers in the Downtown area.

ARPA funds are required to be obligated by December 31, 2024. After obligation, agencies have until December 31, 2026, to spend the funds. Funds that are not obligated by December 31, 2024, and subsequently spent by December 31, 2026, need to be returned to the US Treasury.

Adjusting the funding and change order thresholds for the Annual Sidewalk Repair Program 2023-2024 provide an opportunity to quickly address areas that are not ADA compliant, tripping hazards, incorporation of maintenance at high traffic public facilities while enabling the timely obligation of the ARPA funds.

Analysis

Public Works contracts recognize that unforeseen conditions may be encountered during construction which may need to be adjusted or clarified. To minimize delays and ensure timely adjustments to the scope of work, City Council typically authorizes the City Manager or her designee to negotiate and approve individual change orders up to a specified threshold of the original contract amount. In addition, staff requests authority to negotiate and approve cumulative change orders up to the designated threshold. This contract allowance promotes efficient project completion and provides staff the flexibility to respond promptly to project demands. This also allows additional scope of work to be added to the project which will shorten the delivery timeline of projects that would otherwise require a separate and independent contract.

The project remains under the \$1,000,000 contract amount consistent with exempt from provisions of Community Work Force Agreement (CWA). ARPA funding has been evaluated and classified by finance as Revenue Replacement allowing the usage of ARPA funds within this project which was bid with Local Business Participation efforts.

By authorizing an increase in the individual change order cap from 5% to 15% (from \$18,588 to \$55,765) and the cumulative change order cap from 50% to 100% (from \$185,880 to \$371,764), the City will be able to permit additional work to be added to this contract.

Previous Actions

- On November 6, 2023, by Resolution No. 2023-149, the City Council authorized the City Manager to Approve and Award a Construction Contract to Villalobos & Associates Inc. in the Amount of \$371,764, for the Annual Sidewalk Repair Program 2023-2024, Project No. 2023.0060 and authorized the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (or \$18,588) of the Original Contract Amount; and also Authorized the City Manager to Negotiate and Approve Cumulative Change Orders Up to 50% (or \$185,880) of the Original Contract Amount
- On December 12, 2023, Council adopted a Resolution to Approve an American Rescue Plan Act (ARPA) Budget Adjustment including Downtown Enhancements which will make improvements to breezeways and landscaping as part of a larger Beautify San Leandro Project to which \$800,000 was allocated

Applicable General Plan Policies

- Policy T-2.1 Complete Street Serving All Users and Modes
- Policy LU-2.5 Pedestrian and Bicycle Improvements
- Policy LU-6.8 Pedestrian-Friendly Environment

Environmental Review

This project is categorically exempt per California Environmental Quality Act (CEQA) section 15301 (c) and (d) of the CEQA guidelines. A Notice of Exemption was filed with the Alameda County Recorder's Office on September 27, 2023, for the original contract.

Summary of Public Outreach Efforts

The contractor will distribute door hangers prior to the start of work.

Financial Impacts

The cost of this multi-funded project is detailed on the table below.

Design and Bid	\$45,270.00
Existing Construction Contract & CCOs	\$406,917.00
Anticipated CCO for ADA Compliance at SL Family Aquatic Center	\$120,000.00
Anticipated CCO to include work at Downtown Area	\$71,000.00
Management and Inspection	\$135,010.00
Total	\$778,197.00

Contract Change Order Summary

CCO No.	Description	Amount	%
1	Additional Curb and Sidewalk Replacement	\$8,336.00	2.2
2	Additional Quantities	\$6,817.00	1.83
3	Trees - Utility conflicts (Est)	\$20,000.00	5.38
4	Frontage ADA Work at San Leandro Family Aquatic Center (est.)	\$120,000.00	32.28
5	Beautify San Leandro Downtown (Paver Leveling Work) (est	\$71,000.00	13.45
	Estimated Change Order Total	\$226,153.00	55.18

Funding for the project has been appropriated as follows:

Funding Description	Account No.	Amount
* Measure B- Local ST FY 22	144-38-510	\$73,435.80
Measure BB- Bike and Ped FY 24	141-36-512	\$200,000.00
Measure BB - Bike and Ped FY 24	153-36-512	\$270,000.00
* Measure BB - Local St FY 23	141-38-511	\$30,000.00
*Special Grants Fund - TDA FY 24	150-36-511	\$90,000.00
*Special Grants Fund - TDA FY 23	150-36-510	\$105,062.00
*ARPA Beautify San Leandro Project	190-63-817	\$71,000.00
* Capital Improvements fund- Parks-		
**Washington Manor Pool Refurbishment	210-62-002	\$120,000.00
Total		\$959,497.80

* Not the full appropriation; only a portion used on this project/contract is shown.

** Estimated amount to be used of funding

The budget for this project draws solely from special fund accounts. There is no fiscal impact on the General Fund.

ATTACHMENT

A: Resolution

PREPARED BY: Diana Garcia, Assistant Engineer, Public Works Department