



Legislation Details (With Text)

File #: 19-593 **Version:** 1 **Name:** Annual Sidewalk Repair Program 2019-20 Contract Award to Spencon Construction, Inc. - SR

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Title: Staff Report for a City of San Leandro City Council Resolution to Award a Construction Contract to Spencon Construction, Inc., in the Amount of \$1,172,980 for the Annual Sidewalk Repair Program 2019-20, Project No. 2019.0060; to Authorize the City Manager to Negotiate and Approve Individual Change Orders up to 5% or \$58,649 of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders up to 27% or \$316,705 of the Original Contract Amount; and to Appropriate \$170,000 in Measure B Funds for the Project in Fiscal Year 2019-20

Indexes:

Code sections:

Attachments: 1. Bid Summary

Date	Ver.	Action By	Action	Result
11/18/2019	1	City Council	Received and Filed	Pass

Staff Report for a City of San Leandro City Council Resolution to Award a Construction Contract to Spencon Construction, Inc., in the Amount of \$1,172,980 for the Annual Sidewalk Repair Program 2019-20, Project No. 2019.0060; to Authorize the City Manager to Negotiate and Approve Individual Change Orders up to 5% or \$58,649 of the Original Contract Amount; to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders up to 27% or \$316,705 of the Original Contract Amount; and to Appropriate \$170,000 in Measure B Funds for the Project in Fiscal Year 2019-20

SUMMARY AND RECOMMENDATIONS

This contract provides for the removal and replacement of damaged concrete sidewalks, driveway approaches, curbs and gutters, and the installation or repair of miscellaneous concrete-related infrastructure throughout the City as part of the City’s Sidewalk Repair Program.

Staff recommends the following actions:

- Award a construction contract to Spencon Construction, Inc. in the amount of \$1,172,980 for the subject project;
- Authorize the City Manager to negotiate and approve individual change orders up to \$58,649, or up to 5% of the original contract amount;
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value not to exceed \$316,705, or 27% of the original contract amount; and
- Appropriate Measure B Funds in the amount of \$170,000 for the project from fund balance.

BACKGROUND

Property owners are required by the San Leandro Municipal Code and by the State of California

Streets and Highways Code to maintain the sidewalks along their property frontages. Title 8 of the San Leandro Administrative Code describes a procedure the City uses to repair and allocate costs for sidewalk repairs. If a sidewalk is in need of repair, property owners have these available options:

- Repair the sidewalk themselves by hiring a properly licensed contractor, and by obtaining the necessary City Encroachment Permit; or
- Participate in the Sidewalk Repair Program, and remit the applicable program costs once the work is complete; or
- Request minor repairs such as grinding and/or patching by the City's Public Works Department at no cost to the property owner, with the understanding that this is often a temporary measure that may require future action.

If a City street tree is the cause of the damage, and the property owner participates in the Sidewalk Repair Program, then the repair cost is divided evenly between the property owner and the City.

While the primary purpose of the program is to repair damaged sidewalks, this project includes bid items for a variety of other concrete related infrastructure. These bid items will be utilized on an 'as-needed' basis to meet the needs of the community or correct issues brought to the City's attention during the course of the project. Examples of such items include curb ramp construction and bike rack installations.

As part of this project, the Contractor will replace approximately 33,110 square feet of sidewalk, 5,640 square feet of driveways, 2,030 linear feet of curb and gutter, and 7,250 square feet of curb ramps, at over 400 locations. The Contractor will also install twelve bicycle racks, three each at the following locations: Chabot Park, Manor Branch Library, Marina Park, and Toyon Park. The Contractor has approximately twelve months from the date the Notice to Proceed is issued to complete the work.

Analysis

Seven companies attended the mandatory pre-bid meetings on October 8, 2019 and October 15, 2019. From those, five bids were received and opened on October 22, 2019. Bids received ranged between \$1,172,980 and \$2,370,280. Spencon Construction, Inc., submitted the lowest responsive bid of \$1,172,980, and provided documentation of Good Faith Efforts to meet the Local Business Participation Goal. The pre-bid Engineer's Estimate for construction was \$1,447,080.

None of the bidders have an office in San Leandro that would qualify them as a local business per the Local Inclusion Policy Ordinance, but one of the bidders met the 25% Local Business Participation Goal by subcontracting with San Leandro businesses for 25% of the contract value. Two of the bidders provided Good Faith Efforts documentation in lieu of meeting the 25% Local Business Participation Goal, including the low bidder, as allowed by the Ordinance.

This project is also subject to the provisions of the Community Workforce Agreement (CWA). Each bidder was advised of the agreement in writing and verbally at the mandatory pre-bid meetings. Each contractor was given contact information for the Bay Area Business Roundtable, an organization hired by the City to provide free technical assistance to comply with the CWA. All of the responsive bidders signed the Community Workforce Agreement 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 delay to the project and ensure that the scope of work is adjusted as needed to provide the highest quality project, staff requests that the City Council authorize the City Manager or his designee to negotiate and approve individual change orders up to 5% (\$58,649) of the original contract amount. In addition, staff is requesting authority to negotiate and approve cumulative change orders up to 27% (\$316,705) of the original contract amount. While this level of cumulative change orders is relatively high, this will help to ensure efficient completion of the project on budget and on schedule, and will allow staff the flexibility to add as many resident requests as possible, gaining economies of scale from a contractor already mobilized and in the field.

Staff recommends an additional appropriation of \$170,000 in Measure B Bicycle & Pedestrian Funds. This appropriation will allow the City to take advantage of the competitive unit prices from the low bidder and reduce the backlog of repair requests.

Current Agency Policies

- Maintain and enhance San Leandro's Infrastructure

Applicable General Plan Policies

- Policy T-3.6 - Pedestrian Environment. Improve the walkability of all streets in San Leandro through the planning, implementing, and maintaining of pedestrian supportive infrastructure.
- Policy T-3.7 - Removing Barriers to Active Transportation. Reduce barriers to walking and other forms of active transportation such as incomplete or uneven sidewalks, lack of wheelchair ramps and curb cuts, sidewalk obstructions including cars parked on sidewalks, trail gaps, wide intersections, and poor sidewalk connections to transit stops.
- Policy CSF-6.8 - Maintenance. Ensure that sufficient funding is provided for the ongoing maintenance of City-owned facilities, including streets, street lights, traffic signals, landscaping, street trees, storm drains, public buildings and other infrastructure.

Environmental Review

This project is Categorically Exempt per California Environmental Quality Act (CEQA) Section 15301 (c) of the CEQA guidelines. A Notice of Exemption was filed with the Alameda County Recorder's Office on September 27, 2019, and the City received no public objections to the project within the statutory comment period.

Summary of Public Outreach Efforts

This project was advertised in the Daily Review on September 20, 2019 as well as in three other newspapers with circulations that reflect San Leandro's diversity. Staff also notified contractors interested in working with the City, and sent the Contract Book to local builder's exchanges.

Prior to construction, the Contractor will notify residents and businesses whose properties will be directly impacted.

Fiscal Impacts

The total project cost is estimated at \$1,697,143 as follows:

Design, Site Investigation and Bid:	\$74,280
Construction Contract:	\$1,172,980
Construction Management & Inspection:	\$133,178
Construction Contingency:	\$316,705
Total:	\$1,697,143

Budget Authority

The project is funded as follows:

Account No.	Source	Fiscal Year	Amount
144-36-414	Measure B	19/20	\$280,000
141-38-414	Measure BB	19/20	\$50,000
141-36-414	Measure BB	19/20	\$220,000
141-36-006	Measure BB	19/20	\$63,194*
144-36-006	Measure B	19/20	\$89,414*
144-36-400	Measure B	18/19	\$210,852**
141-38-400	Measure BB	18/19	\$20,000
141-36-400	Measure BB	18/19	\$100,000
150-36-429	TDA Grant	18/19	\$67,029
210-36-400	General Fund	18/19	\$205,000
144-36-379	Measure B	17/18	\$138,954**
150-36-428	TDA Grant	17/18	\$82,700
Current Project Appropriation:			\$1,527,143

* Amount represents new funding allocated in Fiscal Year 2019-20.

** Amount represents funds carried forward to the current fiscal year (actual appropriation was higher).

New Appropriation requested by this action:

Account No.	Source	Fiscal Year	Amount
144-36-414	Measure B Fund Balance	19/20	\$170,000
Total Proposed Project Funding:			\$1,697,143

The appropriation requested will be from the available and current revenue of the Measure B Bike & Ped Fund Balance.

ATTACHMENT

Attachment to Staff Report

- Bid Summary

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