



## Legislation Details (With Text)

**File #:** 23-223      **Version:** 1      **Name:** Award Surface Seal for Paving 21-23 (SR and Res)  
**Type:** Staff Report      **Status:** Filed  
**In control:** City Council  
**On agenda:** 6/20/2023      **Final action:** 6/20/2023  
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**Title:** Adopt a Resolution to Approve and Authorize the City Manager to Award a Construction Contract to Pavement Coatings Company in the amount of \$9,207,613 for the Surface Seal Phase for the Annual Street Paving 21-23, Project No. 2020.0050; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount (\$460,380); and to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders up to 10% of the Original Contract Amount (\$920,761)

**Indexes:**

**Code sections:**

**Attachments:** 1. A - Resolution Pavement Coatings Company, 2. B - Bid Summary, 3. C - Street List

Date	Ver.	Action By	Action	Result
6/20/2023	1	City Council	Received and Filed	Pass

Adopt a Resolution to Approve and Authorize the City Manager to Award a Construction Contract to Pavement Coatings Company in the amount of \$9,207,613 for the Surface Seal Phase for the Annual Street Paving 21-23, Project No. 2020.0050; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount (\$460,380); and to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders up to 10% of the Original Contract Amount (\$920,761)

### COUNCIL PRIORITY

- Infrastructure

### SUMMARY

This contract will provide essential maintenance on 15.5 lane miles of City roadway, with pavement surface seals applied on 90 street segments located throughout the City. This project will also install selected pedestrian and bike lane improvements where suitable within the paving limits.

### RECOMMENDATIONS

Staff recommends the following actions:

- Award a construction contract of the 'base bid plus additive alternate A' to Pavement Coatings Company in the amount of \$9,207,613
- Authorize the City Manager to negotiate and approve individual change orders up to 5% (or \$460,380) of the original contract amount; and
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value not to exceed 10% (or \$920,761) of the original contract amount

## BACKGROUND

Streets are a critical component of the City's infrastructure, and their condition is an important factor in the quality of life for residents and the vitality of local businesses. Good pavement conditions increase the efficiency of transporting goods, improve bicycle safety, and make walking more appealing. Each day, residents are dependent on safe, reliable local streets and roads to begin and end their daily commutes. Police, fire, and emergency medical services all rely on safe and reliable roads to respond quickly to calls for service.

Improving the City's average Pavement Condition Index (PCI) has and continues to be a high priority for the City. In 2014, San Leandro voters Measure HH as a guaranteed funding source for essential City services, including improvement to local roadways. In November 2014, voters in Alameda County passed Measure BB to improve local roadways as one of their main objectives. This project has a total project cost of approximately \$15,127,000. Over half of the project's funding (\$8,950,000) is provided by City General Funds with the remaining amount provided by a combination of grant and gas tax funding. The City of San Leandro maintains approximately 180 centerline miles of paved roadways. Street sealing is an annual maintenance activity that prolongs the useful life of streets, and locations included in this contract will receive either a 3/8" rubberized seal coating or thin slurry seal coat. The treatment process is individually selected for each street based on its pavement condition. To realize the maximum benefit from this work, streets are selected that have the lowest pavement condition index (PCI) or pavement condition yet could also still be restored using the above methods. When selecting streets, priority is also given to streets that carry more vehicles and streets that are on a bike route.

The surface seal phase of the Annual Street Paving 21-23 project will complete paving maintenance on approximately 15.5 lane miles and includes 90 street segments located city wide over 13 arterial streets, 16 collector streets, and 61 local streets. A list of the street segments proposed for treatment with this contract is attached. This project also includes sidewalk curb ramp upgrades where necessary to meet code requirements.

In addition to the above surface seal pavement maintenance, the following pedestrian and bike lane improvements are included in this project:

- Curb ramp radius reductions and flashing pedestrian beacons for two crossings on Estudillo Avenue at the San Jose Street and San Rafael Street intersections
- Pedestrian bulbout and high visibility crosswalk at the intersection of Williams Street and Orchard Avenue
- Bike lane buffer and delineators on Farallon Avenue from its current terminus east of Griffith Avenue west to Doolittle Drive
- Class 2 bike lane along Washington Avenue from the Chapman Avenue railroad crossing north to 139<sup>th</sup> Avenue

To accelerate the project schedule, this project will be constructed in phases. In advance of this work, the City Council awarded a \$2,471,000 contract to Spencon Construction in January 2023 to upgrade the adjacent curb cut ramps to comply with the Americans with Disabilities Act (ADA). Sanitary sewer point repairs within the paving limits of this contract will also be completed under a separate

contract as part of the Sanitary Sewer Point Repair project.

### **Analysis**

On May 18, 2023, the City opened bids for the subject project. Two bids were received with base bids of \$8,383,147 and \$9,198,622, and with additive alternate A costs of \$824,467 and \$908,181, respectively. The pre-bid Engineer's Estimate was \$7,115,245 for the base bid, and \$524,176 for the additive alternate A. Staff determined that Pavement Coatings Company is the apparent low bidder based on the base bid. Pavement Coatings Company is also the lowest bidder for the 'base bid plus additive alternate A' option at \$9,207,613.

Staff recommends the award of a construction contract to Pavement Coatings Company for the 'base bid plus additive alternate A' scope of work for an amount of \$9,207,613. Staff verified that Pavement Coatings Company has a valid Contractor's State License Board license and is registered with the California Department of Industrial Relations.

This project is 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, and all bidders signed the CWA commitment form. The City's Local Inclusion Policy Ordinance was not included in this bid because its provisions conflict with the requirements of the project's Federal American Rescue Plan Act (ARPA) funding.

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. 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 her designee to negotiate and approve individual change orders up to 5% (\$460,380) of the original contract amount. In addition, staff requests authority to negotiate and approve cumulative change orders up to 10% (\$920,761) of the original contract amount. This contract allowance will facilitate efficient completion of the project on budget and on schedule.

### **Current Agency Policies**

- Maintain and enhance the City's infrastructure

### **Previous Actions**

- On January 23, 2023, by Resolution No. 2023-006, the City Council Approved a Construction Contract with Spenco Construction in an amount of \$2,471,000 for Curb Ramp Upgrades for the Annual Street Paving 21-23, Project No. 2020.0050, and authorized the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount (\$123,550) and Cumulative Change Orders up to 25% of the Original Contract Amount (\$617,750) and appropriated \$465,000 for the Project in Fiscal Year 2022-2023.
- On April 18, 2022, by Resolution No. 2022-055, the City Council Approved a Consulting Services Agreement with Nichol Consulting Engineers for the Design of the Annual Street

Paving 2021-2023, Project No. 2022.0050 for an Amount Not to Exceed \$1,065,000, authorized Individual Agreement Amendments Up to 10% (\$106,500) and Cumulative Agreement Amendments Up to 25% (\$266,250), respectively.

**Applicable General Plan Policies**

- Policy T-2.1: Complete Streets Serving All Users and Modes. Create and maintain “complete” streets that provide safe, comfortable, and convenient travel through a comprehensive, integrated transportation network that serves all users
- 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-7.2: Capital Improvements. Identify capital improvements and other measures which improve the safety of bicyclists, pedestrians, and motor vehicles on San Leandro Streets

**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 April 14, 2022.

**Summary of Public Outreach Efforts**

The Notice to Bidders was published in the Daily Review, the South County Post, Visión Hispana and World Journal. Staff also notified local 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 4<sup>th</sup> and 9<sup>th</sup> 2023, with potential bidders.

Prior to any construction which would affect access to private businesses or residences, the contractor will provide notification in the form of door hangers before the work starts.

**Financial Impacts**

The estimated cost of this project is detailed below. The budget authority section has details on funding types, accounts, and authorizations. CIP accounts are carried forward for five years or until the work is complete, whichever occurs first.

Design and Bid	\$1,350,000
Construction Contracts:	
Curb Ramps (Spenco Construction)	\$2,471,000
Pavement Surface Seal (Pavement Coatings Co.)	\$9,207,613
Construction Management & Inspection	\$520,000
<u>Construction Contingencies</u>	<u>\$ 1,574,760</u>
Total Cost:	\$15,123,373

Funds included in the Fiscal Year 2022-2023 budget for this project are as follows:

- Road Repair and Accountability Act of 2017 (SB1) Grant Funds in  
Capital Improvement Fund Account 152-38-520 \$ 500,000
- Alameda County Expenditure Plan (Measure B) Grant Funds in  
Capital Improvement Fund Account 144-38-520 \$1,005,000
- American Rescue Plan Act (ARPA) Grant Funds in  
Streets and Highways Fund Account 190-31-804 \$3,699,650
- 2023 Gas Tax Funds in  
Capital Improvement Fund Account 152-38-521 \$ 500,000
- General Funds in  
Capital Improvement Fund Account 210-38-521 \$8,953,723

Additional appropriation of \$465,000 approved by Resolution No. 2023-006 with award of curb ramp work:

- Road Repair and Accountability Act of 2017 (SB1) Funds in  
Capital Improvement Fund Account 152-38-520 \$ 465,000
- Total Project Funding Available:** **\$15,123,373**

## ATTACHMENTS

- Attachment A - Resolution
- Attachment B - Bid Summary - Project No. 2022.0050
- Attachment C - List of Project Streets

**PREPARED BY:** Mark Goralka, PE, Associate Engineer, Engineering and Transportation Department