



Legislation Text

File #: 18-457, **Version:** 1

Staff Report for a Resolution of the City of San Leandro City Council to Authorize the City Manager to Negotiate and Execute Cumulative Contract Change Orders up to a Maximum of 25% of the Original Contract Amount or \$473,579 with American Pavement Systems, Inc. for Expanding the Limits of Work on the Annual Street Sealing 2017-18 Project, Project No. 2018.0070 and Appropriation of \$185,000 of Gas Tax Funds

SUMMARY AND RECOMMENDATIONS

This contract currently provides for the application of preventive maintenance treatments to 15.2 lane miles of pavement on 46 separate City street segments in the 2018 Asphalt Maintenance Area. This authorization to negotiate and execute change orders will permit the addition of 0.5 lane miles of pavement on two separate City street segments and 12 curb ramps to the project.

Staff recommends the following action:

- Authorize the City Manager to negotiate and approve change orders up to a cumulative value of 25% (or \$473,579) of the original contract amount.
- Appropriate \$185,000 from the Gas Tax Fund balance for the project.

BACKGROUND

A contract with American Pavement Systems, Inc. for \$1,894,316 was awarded on July 16, 2018 for the Annual Street Sealing 2017-18 project. At the time of award, the City Council authorized the City Manager or his designee to negotiate and approve change orders to clarify the work and respond to unusual existing conditions up to a cumulative value of 15% (or \$284,147) of the original contract.

Concurrent with this project, Public Works staff installed pavement repairs on Hillside Drive such that curb ramps are required to meet ADA requirements. Public Works also repaired Sherry Court and Adason Drive such that these two streets were ready for street sealing work including the installation of curb ramps to complete their maintenance.

Analysis

The work on Hillside Drive, Sherry Court, and Adason Drive can be efficiently added to the scope of work for American Pavement Systems, Inc. by expanding the limits of the contract.

The value of the work described herein is approximately 10% of the original contract amount. In order to preserve the ability to clarify the work and respond to unusual existing conditions up to 15% of the original contract amount, authorization for negotiation and approval of change orders up to 25% of the original contract amount is requested.

This work is an eligible use of Gas Tax revenue and there are sufficient funds in the Gas Tax revenue

account 140-3656 to cover the cost of this work.

Current Agency Policies

- Maintain and enhance San Leandro's infrastructure

Previous Actions

- On July 16, 2018 the City Council by Resolution No. 2018-079 awarded a contract to American Pavement Systems, Inc. for \$1,894,316 and authorized the City Manager to negotiate and approve change orders up to 15% (or \$284,147) of the original contract amount.

Applicable General Plan Policies

Transportation Policy T-5.3 Maintenance. Regularly maintain City streets and traffic control devices to ensure that streets operate safely and efficiently. The City will strive for an overall Pavement Condition Index of 76, which is the lower limit of industry best practices.

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 November 27, 2017.

Summary of Public Outreach Efforts

Prior to construction, staff will notify the residents of the streets within the project areas of the project regarding schedule. The contractor will also provide notification in the form of door hangers immediately before the work.

Fiscal Impacts

The original estimated cost of this project presented to Council on July 16, 2018 was \$2,369,463. The updated estimated cost of the Annual Street Seal 2017-18 Project to include the Public Works maintenance effort and preserve the ability to clarify the work is as follows:

Design and Bid:	\$81,000
Construction Contract:	\$1,894,316
Change order to expand limits of work (approximate)	\$185,000
Construction Management and Inspection:	\$137,537
<u>Construction Contingency:</u>	<u>\$284,147</u>
Total:	\$2,582,000

The costs of both the design and construction of the expanded limits of work are included in the estimate above, an increase of \$212,537.

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	\$1,850,000
140-31-056	Gas Tax	FY17-18	\$180,000*
210-62-122	General Fund	FY17-18	\$124,000*
210-18-139	General Fund	FY17-18	\$2,000*
150-38-404	Cal Recycle Grant	FY17-18	\$85,000*
143-38-381	Vehicle Registration Fees	FY 16-17	\$156,000*
Total currently appropriated:			\$2,397,000

<u>Appropriation requested by this action to account 140-31-057</u>	<u>\$185,000*</u>
Total Proposed Project Funding	\$2,582,000

*Account is used for multiple projects, amount listed is the portion of the appropriation dedicated to this project.

PREPARED BY: Nick Thom, City Engineer, Engineering and Transportation Department