



Legislation Text

File #: 18-218, **Version:** 1

Staff Report for a Resolution to Award a \$1,894,316 Construction Contract to American Pavement Systems, Inc., for the Annual Street Sealing 2017-18 Project, Project No. 2018.0070; Authorizing the City Manager to Negotiate and Approve Individual Change Orders Up to 5% (or \$94,716) of the Original Contract Amount; and Authorizing the City Manager to Negotiate and Approve Change Orders up to a Cumulative Value not to Exceed 15% (or \$284,147) of the Original Contract Amount

SUMMARY AND RECOMMENDATIONS

This contract 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; application of preventive maintenance treatments on 3 City Park parking lots, three street segments beyond the 2018 Asphalt Maintenance Area, Fire Station No. 13's parking lot; and installation of 44 concrete curb ramps to meet current accessibility standards at locations within the street sealing work area.

Staff recommends the following actions:

- Award of a construction contract to American Pavement Systems, Inc. in the amount of \$1,894,316 for the subject project;
- Authorize the City Manager to negotiate and approve individual change orders up to 5% (or \$94,716) of the original contract amount; and
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value of 15% (or \$284,147) of the original contract amount;

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 used 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 2018 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.

The Americans with Disabilities Act (ADA) mandates construction of compliant curb ramps at street intersections when roadway pavement is replaced, overlaid, or treated with a cape seal. Within the cape seal locations, this contract will install new ramps at locations where none exists and will upgrade existing non-compliant ramps.

Curb ramps are a vital component of the pedestrian travel way. Ramps allow wheelchair users to safely cross streets. Ramps make sidewalks accessible, regardless of physical ability. Each ramp includes a panel of raised domes to warn the vision impaired of a street crossing.

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 will be reimbursed 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 polluting the environment and is in line with the City's sustainability efforts under the Climate Action Plan.

In addition to the above work, to assist Public Works with their maintenance effort, and efficiency in combining similar tasks, this project will also install surface treatment at three City Park parking lots (using General Funds for City Park Maintenance), three streets beyond the 2018 Maintenance zone (using SB-1 Gas Tax Funds), and Fire Station No. 13's Parking lot (using General Funds for City Building Maintenance).

Analysis

Bids were opened on June 5, 2018. Three (3) bids were received ranging from \$1,894,316 to \$2,354,127. The pre-bid engineer's estimate for construction was \$1,817,797. American Pavement Systems, Inc. was determined by staff to be the lowest responsible bidder. Staff verified that 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 has an office in San Leandro that would qualify them as a local business per the Local Inclusion Ordinance. Also, none of the bidders were able to 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. This project is 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 individual change orders. Additionally, the favorable bids received provide the opportunity to increase the amount of work installed without increasing the project budget. Therefore, staff requests authority to negotiate and approve individual change orders up to 5% (\$94,716) of the original contract amount and cumulative change orders up to 15% (\$284,147) of the original contract amount.

Current Agency Policies

- Maintain and enhance San Leandro's infrastructure

Previous Actions

- On November 21, 2016, the City Council by Resolution No. 2016-157 authorized the City Manager to file an application for the CalRecycle Rubberized Asphalt Concrete Grant Program.

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, bicyclist, transit riders or motorists, regardless of age or ability.

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 November 27, 2017.

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 3rd and May 8th, 2018. 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 of the streets within the project areas of the project and its schedule. 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 \$2,369,463 as follows:

Design and Bid:	\$81,000
Construction Contract:	\$1,894,316
Construction Management and Inspection:	\$110,000
<u>Construction Contingency:</u>	<u>\$284,147</u>
Total:	\$2,369,463

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 (City Park Maintenance)	FY17-18	\$124,000
210-18-139	General Fund (City Building Maintenance)	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 Project Appropriation:			\$2,397,000

ATTACHMENTS

- Project Area Map and List of Street Segments to receive treatment
- Bid Summary - Annual Street Sealing 2017-18

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