



Legislation Text

File #: 16-018, **Version:** 1

Staff Report for a Resolution to Award a Construction Contract to Beneman, Inc. for the Thrasher Park Play Equipment and Fence Project, Project No. 2006.0070 and Authorization for the City Manager to Negotiate and Approve Individual Change Orders up to 10% of the Original Contract Amount; and Authorization for the City Manager to Negotiate and Approve Cumulative Change Orders Up to 25% of the Original Contract Amount, and to Transfer Funds Between this Project and the Siempre Verde Park Reconstruction and to Return Funds to the General Fund Balance

SUMMARY AND RECOMMENDATIONS

The subject project will replace the park play equipment with a new play structure and will also increase the fence height along sections of the adjacent ball field perimeter.

Staff recommends awarding the construction contract to Breneman, Inc. in the amount of \$192,218.50 for the subject project; authorizing individual change orders up to 10% of the original contract (\$19,221.85), and authorizing a total change order amount up to 25% of the original contract (\$48,054.62), and

Transferring \$75,000.00 of Grant Funds to the Siempre Verde Park Reconstruction Project, and returning \$75,000.00 of General Funds from the Siempre Verde Park Reconstruction Project to the General Fund Balance

BACKGROUND

The existing play equipment at Thrasher Park is outdated and has served its useful life. This project will install a new age appropriate play structure and resilient rubber ground surfacing within the existing play area perimeter. The new equipment will be compliant with State of California safety regulations for playgrounds and will meet accessibility provisions of the Americans with Disabilities Act (ADA). Six foot tall sections of the ball field perimeter fence adjacent to the play area will be replaced with ten foot tall fence sections to improve safety by containing foul balls traveling at less than ten feet above the ground. Also, consistent with the Citywide ADA transition plan, park furniture in the play area vicinity will be upgraded to meet ADA standards.

Analysis

Bids were opened on January 21, 2016. Nine (9) bids were received ranging from \$192,218.50 to \$293,270.00. The pre-bid engineer's estimate for construction was \$244,000.00. Breneman, Inc. was determined by staff to be the lowest responsible bidder.

None of the bidders has an office in San Leandro that would qualify it as a local business per the Local Inclusion Policy Ordinance. Despite listing the provision for Local Business Participation Goal in the Notice to Bidders, and highlighting the requirements at the pre-bid meeting, none of the bidders

provided satisfactory documentation of good faith efforts towards local inclusion. However, as all bidders were equally lacking in this effort and because of time constraints with the grant funding for this project, staff recommends proceeding with awarding the contract to the lowest bidder. Staff verified that the contractor has a valid license with the Contractor's State License Board and is registered with the Department of Industrial Relations.

Contract Change Orders

As is standard in the construction industry, staff has 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 on 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 up to 10% (or \$19,221.85 each) of the original contract amount and cumulative change orders up to 25% (or \$48,054.62) of the original contract amount.

This project is presently funded by a 2014 grant from the State of California Department of Housing and Community Development (HCD) and allocations from the City's Park Development Fund. The HCD grant is only eligible for construction costs and must be used by June 30, 2016. Due to the favorable bids the entire grant isn't needed on this project and should be transferred to another project. Two other projects are eligible for the HCD grant: Siempre Verde Park Renovation and Joaquin Plaza. We recommend that the excess grant funds, \$75,000.00, be transferred to the Siempre Verde Park Renovation project and that a like amount of general funds from that project be returned to the General Fund balance.

Current Agency Policies

- 2013-15 City Council Goal: Maintain and enhance the City's infrastructure
- 2013-15 City Council Goal: Support and implement programs, activities and strengthen communication that enhances the quality of life and wellness, celebrates the arts and diversity and promotes civic pride

Previous Actions

- On March 2, 2015, by Resolution No. 2015-058, the City Council allocated funds for the design and construction of the Thrasher Park Play Structure Replacement Project
- On December 1, 2014, by Resolution No. 2014-132, the City Council authorized the City Manager to Execute a State Standard Agreement with the California Department of Housing and Community Development for a Housing-Related Parks Program Grant in the Amount of \$1,376,600
- On January 6, 2014, by Resolution No. 2014-004, the City Council authorized the City Manager to Submit an Application for Housing-Related Parks Program Grant Funds

Applicable General Plan Policies

Goal 21 - Rehabilitation of Existing Parks: Maintain and improve San Leandro's existing parks and recreational facilities

Environmental Review

This project is categorically exempt from California Environmental Quality Act (CEQA) per Section 15302(b) of the CEQA guidelines. The Notice of Exemption was filed with the Alameda County Recorder on May 29, 2015.

Permits and/or Variances Granted

A Building Permit will be procured from the City's Community Development Department for the fence installation.

Summary of Public Outreach Efforts

- The Notice to Bidders was published in the Daily Review and also in the South County Post, Visión Hispana, and the World Journal.
- Staff also notified twenty-one builders' exchanges and construction data firms as well as a list of contractors that have asked to be notified of bidding opportunities via email about the advertisement of the subject project.
- The project is described on the Engineering and Transportation Department website.
- During the design phase, the Recreation and Human Services Department held the following meetings to gather public input on Thrasher Park:
 - September 10, 2015, 6:00 PM, Recreation and Parks Commission Public Meeting, Sister Cities, San Leandro City Hall
 - September 16, 2015, 6:00 PM, Recreation and Parks Commission Public Meeting, Sister Cities, San Leandro City Hall

Fiscal Impacts

The total cost of this project including design, permits, construction, contingencies and construction management is estimated at \$255,000.

The subject contract is in the amount of \$192,218.50. If change orders are needed, the maximum authorized by this action is \$240,273.12. Change orders that increase the project cost beyond the budget authority would not be issued without Council approval of an additional appropriation.

Budget Authority

This project is currently funded as follows:

Park Development Fees (allocated in FY 2014-15) 122-62-117 \$ 65,000.00

Special Grants Fund (allocated in FY 2014-15)	150-62-117	<u>\$265,000.00</u>
Total		\$330,000.00

This action will reduce the funding for this project by moving \$75,000.00 in grant funds to the Siempre Verde Park Renovation project. The total project funding will be \$255,000.00 once this action is taken.

ATTACHMENT

- Bid Summary - Thrasher Park Play Equipment and Fence Project

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