



## Legislation Details (With Text)

<b>File #:</b>	22-434	<b>Version:</b>	1	<b>Name:</b>	Annual Sidewalk Repair Program 2021-22 Contract Award to Spencon Construction, Inc.
<b>Type:</b>	Staff Report	<b>Status:</b>	Filed	<b>In control:</b>	City Council
<b>On agenda:</b>	6/21/2022	<b>Final action:</b>	6/21/2022	<b>Enactment #:</b>	2022-103
<b>Enactment date:</b>					
<b>Title:</b>	Adopt a Resolution Approving and Awarding a Construction Contract to Spencon Construction, Inc. for the Maximum Amount of Compensation of \$699,000, for the Annual Sidewalk Repair Program 2021-2022, Project No. 2022.0060; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount; and to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders up to 25% of the Original Contract Amount				

### Indexes:

### Code sections:

**Attachments:** 1. Att A - Reso Spencon Construction Inc. Contract, 2. Att B - Bid Summary

Date	Ver.	Action By	Action	Result
6/21/2022	1	City Council	Received and Filed	Pass

Adopt a Resolution Approving and Awarding a Construction Contract to Spencon Construction, Inc. for the Maximum Amount of Compensation of \$699,000, for the Annual Sidewalk Repair Program 2021-2022, Project No. 2022.0060; to Authorize the City Manager to Negotiate and Approve Individual Change Orders Up to 5% of the Original Contract Amount; and to Authorize the City Manager to Negotiate and Approve Cumulative Change Orders up to 25% of the Original Contract Amount

## 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 \$699,000;
- Authorize the City Manager to negotiate and approve individual change orders up to 5% (or \$34,950) of the original contract amount;
- Authorize the City Manager to negotiate and approve change orders up to a cumulative value not to exceed 25% (or \$174,750) of the original contract amount.

## 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 the 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 10,000 square feet of sidewalk, 1,300 square feet of driveways, 800 linear feet of curb and gutter, and 2,000 square feet of curb ramps.

## **Analysis**

Six companies attended the mandatory pre-bid meetings on March 16, 2022 and March 23, 2022. From those, two bids were received and opened on April 6, 2022. Bids received ranged between \$699,000 and \$778,950. Spenco Construction, Inc., submitted the lowest responsive bid of \$699,000. The pre-bid Engineer's Estimate for construction was \$720,593.

None of the bidders have an office in San Leandro that would qualify them as a local business per the Local Inclusion Policy Ordinance. The low bidder provided Good Faith Efforts documentation in lieu of meeting the 25% Local Business Participation Goal as allowed by the Ordinance. Staff reviewed the Good Faith Efforts provided by the low bidder and found that they provided adequate documentation and proof of their efforts to include local business. This project is not subject to the provisions of the Community Workforce Agreement (CWA) since those provisions only apply to contracts exceeding \$1,000,000 in value.

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 her designee to negotiate and approve individual change orders up to 5% (\$34,950) of the original contract amount. In addition, staff requests authority to negotiate and approve cumulative change orders up to 25% (\$174,750) 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.

## **Current Agency Policies**

- Maintain and enhance the City'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, streetlights, 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 March 23, 2022, and the City received no public objections to the project within the statutory comment period.

## **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 ask to be notified of bidding opportunities via email. The project is described on the Engineering and Transportation Department website.

Two pre-bid meetings were held on March 16, 2022, and March 23, 2022, respectively, with potential bidders.

Prior to construction, staff will notify businesses in the immediate vicinity of the project. The contractor will also provide notification in the form of door hangers immediately before the work starts.

## **Fiscal Impacts**

The cost of this multi-fund 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	\$22,092
Construction Contract	\$699,000
Construction Management & Inspection	\$162,844
<u>Construction Contingencies</u>	<u>\$174,750</u>

Total \$1,058,686

**Budget Authority**

The project is funded as follows:

<u>Account No.</u>	<u>Reso. Appropriation Dates &amp; Source</u>	<u>Amount</u>
150-36-414	FY 19-20 Budget, TDA funds	\$90,860
144-36-420	FY 20-21 Budget, Measure B	\$168,067
141-36-420	FY 20-21 Budget, Measure BB	\$220,000
141-38-420	FY 20-21 Budget, Measure BB	\$50,000
150-36-420	FY 20-21 Budget, TDA funds	\$90,860
144-36-505	FY 21-22 Budget, Measure B	\$47,500
144-36-510	FY 21-22 Budget, Measure B	\$50,000
144-38-510	FY 21-22 Budget, Measure B	\$288,000
141-36-510	FY 21-22 Budget, Measure BB	\$100,000
150-36-510	FY 21-22 Budget, TDA funds	\$105,062

**Total Appropriation: \$1,210,349**

**ATTACHMENT(S)**

- Attachment A - Resolution
- Attachment B - Bid Summary

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