



**DATE:** July 9, 2019

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Increase the Appropriation of Funds and Contract Amount for Elite Landscape Construction by \$55,603 for the Industrial Parkway West Median Landscape Improvement Project for a Not-to-Exceed Amount of \$593,603 and Increase Budget Appropriation by \$21,553

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to increase the contract amount with Elite Landscape Construction by \$55,603, for a not-to-exceed amount of \$595,603 for additional services during construction related to the Median Landscape Improvement Project and increase the overall project budget appropriation by \$21,553.

## **SUMMARY**

On July 18, 2017, Elite Landscape Construction was awarded the contract for the construction of the Median Landscape Improvement Project (Industrial Parkway West from Hesperian Blvd. to I-880). Elite Landscape Construction completed the construction of the Median Landscape Improvement Project including other needed improvements such as restoration works and installation of a bullnose curb for median protection. An increase to the total contract amount and project appropriation is necessary before the project can be fully completed and the contract closed out.

## **BACKGROUND**

In 2010, the City initiated the Hayward Median Corridor Landscaping Improvements Project in which the need for key medians and streetscape corridor improvements throughout the City were identified. Fifteen street corridors were listed as needing median landscape improvements.

Industrial Parkway West, from Hesperian Blvd. to I-880 was the fourth Median Landscape Improvement project constructed out of the fifteen street corridors. This segment is part of the major connector from I-880 to CA-92, servicing multiple retail businesses, residential neighborhoods and industrial districts.

The project consisted of:

- Removing the existing concrete and cobblestone pavers within the center median and replacing them with trees, shrubs and groundcover
- Installing median trees and new shrubs in the median area, gravel, and bark mulch
- Installing a new irrigation system and controller

On July 18, 2017, Council awarded the contract for the construction of the Median Landscape Improvement Project FY 2017, Project No. 05263 (Industrial Parkway West - Hesperian Blvd. to I-880), to Elite Landscape Construction, Inc., of Clovis, California at their bid price of \$490,894. At that time, Council also approved a construction contingency in the amount of \$49,106.

The scope of work for the Median Landscape Improvement Project FY 2017 consisted of the removal of concrete & cobble paving, replacement of trees identified to be in poor health with in kind or drought tolerant species, installation of a new irrigation system and controller, and placement of permeable pavers, mulch and groundcover.

The removal and replacement of concrete curbs along the median were included as a bid alternative to the original project bid set. Upon receiving the construction bids, the budget was not sufficient to include this bid alternative and therefore, the removal and replacement of the concrete curbs was not included as part of the original contract.

Because the project did not include new curbs, and due to the varying heights of the existing median concrete curbs - ranging from one to four inches - some of the newly installed median landscaping was not protected from traffic. The median concrete curbs that were lower, were often overrun by larger vehicles that damaged the newly planted trees, shrubs, groundcover and irrigation. Due to the existing damage and the potential for additional damage to the recently installed landscape materials, Elite Landscape Construction, Inc., was directed to repair and replace the damaged median landscaping and irrigation and to improve the curbs in order to minimize future damage.

## **DISCUSSION**

The combined change orders for the project included: the installation of the curb at the bullnose section of the median, miscellaneous incidental work on existing electrical and the relocation of utility boxes, replacement of speed signs, concrete boxes, pedestrian push button and traffic controls, and the replacement of the damaged landscaping and irrigation.

The total cost for all change orders is \$126,011, which exceeds the construction contingency of \$49,106 by \$76,905. The increase in change orders is partially offset by a decrease in the final cost for contract totaling \$469,592 which is \$21,302 less than the original estimated cost of \$490,894.

Project costs for construction exceed previously approved amounts for reasons described in this report. The contract must be amended before the project can be fully completed and the contract closed out. Staff is requesting Council approval to increase the contract amount for

Elite Landscape Construction Inc., by \$55,603 to a not-to-exceed amount of \$595,603 for these additional services, and to increase the overall project appropriation by \$21,553.

**ECONOMIC IMPACT**

Replacing and improving median landscaping fosters economic health by increasing safety, enhancing the visual appearance of the medians, increasing weed control and reducing the amount of irrigation required. The additional curb improvements increase the longevity of these enhancements resulting in cost savings over time.

**FISCAL IMPACT**

This project is included in the FY 2017 Capital Improvement Program. The Adopted FY 2017 Capital Improvement Program included \$640,000 in the Street System Improvements Fund for Project 05263 - Median Landscape Improvements. The estimated project costs based on the actual construction bid are as follows:

Construction Contract	\$490,894
Construction Contingency	\$ 49,106
Design and Contract Administration	\$ 40,000
Construction Inspection and Testing	\$ 60,000
<b>Total</b>	<b>\$640,000</b>

The final project costs based on actual work performed is \$661,553. An additional appropriation of \$21,553 is required to complete this project. Adequate funding is available in the Street System Improvements Fund for the additional appropriation. The final project costs based on actual work completed is as follows:

Construction Contract	\$469,592
Construction Contingency – ACO	\$126,011
Design and Contract Administration	\$ 39,521
Construction Inspection and Testing	\$ 26,429
<b>Total</b>	<b>\$661,553</b>

**STRATEGIC INITIATIVES**

This agenda item supports the Complete Streets Strategic Initiative. The purpose of the Complete Streets Strategic Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including motorists, pedestrians, bicyclist, and public transportation riders. This item supports the following goal and objectives:

- Goal 1: Improve quality of life for residents, business owners, and community Members in all Hayward neighborhoods.

Objective 1: Increase neighborhood safety and cohesion.

Objective 2: Foster a sense of place and support neighborhood pride.

### **SUSTAINABILITY FEATURES**

Part of the Median Landscape Improvements consisted of removing impermeable or semi-permeable surfaces and replacing them with trees, shrubs and permeable groundcover along with the repair and replacement of damaged landscaping and irrigation with a new system and controller in the median area. This new equipment enables staff to conserve water resources by providing low-flow irrigation and more accurate water schedules.

### **PUBLIC CONTACT**

A preliminary notice explaining the project was distributed to the businesses adjacent to the limit of the construction work. Businesses were notified seventy-two hours prior to construction.

### **NEXT STEPS**

Acceptance of Work                      July 2019

*Prepared by:*                      Kathy Garcia, Deputy Director for Public Works

*Recommended by:*              Alex Ameri, Director of Public Works

Approved by:



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Kelly McAdoo, City Manager