



**DATE:** April 21, 2026

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT** Adopt a Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Professional Services Agreement with Pavement Engineering, Inc., Increasing the Maximum Compensation by \$572,225, for a Total Maximum Compensation Not-to-Exceed \$911,245 to Provide Engineering Services for the FY27 Pavement Improvement Project, Project No. 05360

### **RECOMMENDATION**

That the City Council adopts a resolution (Attachment II) authorizing the City Manager to execute Amendment No. 1 to the Professional Services Agreement (PSA) with Pavement Engineering, Inc., (PEI) to provide engineering services for the Fiscal Year 27 Pavement Improvement Project (FY 27 PIP), increasing maximum compensation by \$572,225, for a total maximum compensation not-to-exceed \$911,245.

### **SUMMARY**

Staff have initiated the design phase for the FY27 PIP (05360) and are seeking professional engineering services to finalize the project design and provide construction support.

Under the existing PSA dated June 16, 2025, PEI provides engineering services for the FY26 PIP. An amendment No. 1 to the existing PEI PSA is needed to extend the scope of the Agreement to include engineering services for the upcoming FY27 PIP.

PEI will provide engineering services to evaluate pavement conditions, recommend pavement treatment, measure field quantities, design curb ramps upgrades, and provide construction support for the FY27 PIP.

The project budget for the FY 27 PIP of \$12,350,000 is funded via the Gas Tax, Road Repair and Accountability Act (RRAA) Senate Bill 1 (SB1), Measure BB, Vehicle Registration Fees, and Street System Improvement funds.

### **FISCAL IMPACT**

There is no General Fund or Measure C contribution to this project.

The estimated project funding sources are as follows:

|   |                    |
|---|--------------------|
| 210 - Gas Tax                           | \$750,000          |
| 211 - RRAA (SB1)                        | \$4,500,000        |
| 212 - Measure BB - Local Transportation | \$4,300,000        |
| 218 - Vehicle Registration Fee          | \$700,000          |
| <u>450 - Street System Improvements</u> | <u>\$2,100,000</u> |
| Total:                                  | \$12,350,000       |

## BACKGROUND

On June 3, 2025<sup>1</sup>, Council authorized the City Manager to execute a PSA with PEI in an amount not-to-exceed \$339,020 for engineering services for the FY26 PIP.

PEI has extensive experience providing engineering services for City's annual pavement projects, such as those spanning FY19 to FY26.

Staff is currently undertaking the street selection for the FY27 PIP where Pavement Condition Index (PCI), location equity, public input, and funding availability are considered. Staff recommends PEI to provide the engineering services for analysis, design, and construction support for the project.

## DISCUSSION

The scope of work for this PSA consists of the following six tasks:

### **Task 1 - Project Management/Coordination:**

PEI will manage the deliverables, project schedule, and communication with the City of Hayward.

### **Task 2 - Street Investigation/Engineering Review:**

PEI will visually evaluate the pavement condition of each of the proposed project streets. The review will confirm the appropriate pavement treatment for each street, such as pavement rehabilitation, preventive maintenance and resurfacing, among other options. This task will allow staff to refine the project budgets and identify any specific problem areas.

### **Task 3 - Pavement Evaluation on Pavement Rehabilitation:**

PEI will perform a pavement evaluation on each street segment to determine the most cost-effective rehabilitation treatments based on structure requirements, reflective cracking requirements, longevity, and economy.

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<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=7420492&GUID=1CC7F335-095E-4DDC-B288-DAB76D58554E&Options=&Search=>

**Task 4 – Measurement of Field Quantities:**

PEI will provide field site evaluations for each of the locations identified on the project streets list to measure and record all pertinent field quantities, such as location of crack sealing, dig-outs, and other pavement repairs.

**Task 5 – Curb Ramp Design:**

PEI will assist the City with curb ramp designs related to this project. This task involves designing Americans with Disabilities Act (ADA) ramps in the field to provide limits of removal and quantities of work.

**Task 6 – Construction Support / Mark Pavement Repairs:**

PEI will mark all required pavement repairs in the field. PEI will annotate any changed quantities and provide a revised quantity summary to the City at the completion of the field work.

PEI is currently providing construction support for the FY26 PIP. This amendment is necessary because the actual pavement centerline miles doubled from the original scope. The original scope included assessment of 27 centerline miles of pavement while the actual is 60 centerline miles. Also, crack seal treatment was not included in the original scope and added after the start of PEI’s work. Finally, this amendment would initiate work on the FY27 PIP.

Many of the included improvements such as bike facilities and ADA-compliant curb ramps on Industrial Blvd, Industrial Pkwy SW, Breakwater Ave, B Street, and other various streets would significantly benefit bicycle and pedestrian access.

**ECONOMIC IMPACT**

The project will improve pavement conditions and generate economic benefits by:

- Reducing travel time and congestion
- Lowering fuel consumption and vehicle operating costs
- Attracting business investment
- Increasing property values and neighborhood desirability
- Reducing vehicle traffic through added bike lanes
- Creating local construction jobs under the Community Workforce Agreement

**STRATEGIC ROADMAP**

This agenda item supports the FY25 Strategic Roadmap of Invest in Infrastructure, Objective 1: Invest in multi-modal transportation. Specifically, this item relates to the implementation of the following project(s):

- FM2 - # of miles of bike lanes added Transportation
- FM3 - # of miles of repaving completed Transportation

## **SUSTAINABILITY FEATURES**

The project requires the contractor to recycle all construction and demolition debris generated from the project.

This project is consistent with City's Complete Streets Policy and improves travel for all users including:

- Improved pavement for motorists
- Additional bike lanes and sharrows for cyclists
- More visible pavement markings for pedestrians, including near school zones
- New or upgraded curb ramps to meet the recently revised Caltrans standards for pedestrians

The project satisfies the following 2040 General Plan policies:

- PFS-7.10 Recycled Products or Processes for Capital Projects
- HQL-2.5 Safe Routes to School
- HQL-2.6 Education on Sharing the Road
- M-1.7 Eliminate Gaps (in pedestrian networks)
- M-3.1 Serving All Users
- M-5.1 Pedestrian Needs
- M-5.6 Safe Pedestrian Crossings
- M-6.2 Encourage Bicycle Use

## **PUBLIC CONTACT**

There is no public contact associated with this action.

## **NEXT STEPS**

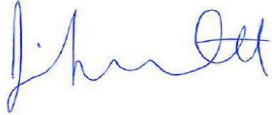
If Council approves this request, the City Manager will execute Amendment No. 1 to the Agreement with PEI increasing the PSA by \$572,225 for a total maximum compensation amount not-to-exceed \$911,245. Once Amendment No. 1 is executed, PEI's service associated with FY 27 PIP will begin in June 2026 and is anticipated to be completed by November 2026.

*Prepared by:* Yama Farouqi, Senior Civil Engineer

*Reviewed by:* Dave Hung, Acting Deputy Director of Public Works – Engineering

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

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott". The signature is fluid and cursive, with the first name "Jennifer" and the last name "Ott" clearly distinguishable.

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Jennifer Ott, City Manager