



Office of the City Manager

CONSENT CALENDAR
June 30, 2020

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Phillip L. Harrington, Director, Department of Public Works
Subject: Contract No. 31900035 Amendment: Ghilotti Construction Company for Shattuck Reconfiguration and Pedestrian Safety Project

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 31900035 with Ghilotti Construction Company for work on the Shattuck Reconfiguration and Pedestrian Safety Project (“Project”), Specification No. 17-11090-C, increasing the contract amount by up to \$300,000 for an amended total not to exceed \$8,286,960.

FISCAL IMPACTS OF RECOMMENDATION

Funding for this Ghilotti Construction Company contract amendment is subject to appropriation in the FY 2021 budget in the Capital Improvement Fund (Fund 501).

Funding for this construction contract amendment is available through realignment of the budget for other elements of the Shattuck Reconfiguration and Pedestrian Safety Project. Therefore, the amendment will not result in an overall project budget increase and no other projects will be delayed due to this contract amendment.

Original Authorized Contract Amount (NTE)	\$7,986,960
This Amendment Amount	<u>\$ 300,000</u>
Amended Contract Amount (New NTE)	\$8,286,960

CURRENT SITUATION AND ITS EFFECTS

The Project construction, which began in January 2019, is currently about 75 percent complete but has encountered significant unforeseen conditions and design alterations which only became apparent during the construction phase.

Prior to construction, the design team conducted extensive due-diligence activities to characterize the Project site, including verifying the presence of existing underground utilities and structures. Despite these efforts, many of these subsurface elements were encountered during construction due to a lack of accurate records.

Development of the downtown area has occurred for over a century, and cycles of development, demolition, and redevelopment have occurred. Old building foundations, utility lines, and other remnants were often left buried with no records of their locations. The results are complex, often unknown subsurface conditions that could not be accurately assessed during the design phase and which were only discovered and addressed during the construction phase.

The Project also underwent several design alterations that were focused on enhancing the design and improving the quality of life. These project enhancements were executed in response to comments from the public and include the following:

- Median and curb modifications at the Shattuck Avenue/Center Street intersection to provide a smoother driving experience and improved traffic flow for motor vehicles including buses.
- Additional pedestrian-scale lighting along the sidewalks of Shattuck Avenue to enhance safety and visibility of businesses.
- Construction phasing modifications to minimize construction-related impacts on adjacent businesses.

Although the contract included a conservative contingency of \$1,352,096 (20 percent), the project management staff anticipates depleting the contingency by July 2020. Due to the history, size, location, and complexity of the Project, along with the long history of development at the Project site, further unforeseen conditions are likely. Potential future change orders could include subgrade repairs of roadway pavements, additional quantities of asphalt concrete pavement, and City- and/or community-requested adjustments.

Currently about 90 percent of the contingency funds have been encumbered, and the remaining is expected to be consumed by additional changes or unforeseen conditions. Staff is requesting \$300,000 in additional funds to cover (a) recently-identified unforeseen underground utility work and median and curb modifications at the Shattuck Avenue/Center Street intersection and (b) potential future change orders through the remainder of the Project.

Staff intends to minimize the potential construction impact on adjacent businesses and residents by performing the additional work promptly, taking advantage of the current reduction in motor vehicle and pedestrian traffic due to the current public health pandemic. Therefore, an extension to the construction contract duration is not needed.

The provided services will support the Strategic Plan goals of creating a resilient, safe, connected, and prepared city and providing state-of-the-art, well-maintained facilities.

BACKGROUND

On October 16, 2018, Council authorized the City Manager to execute a \$7,986,960 contract with Ghilotti Construction Company, the lowest of five bidders in a competitive public bid process, to construct the Project.

Prior to this Project, Shattuck Avenue between University Avenue and Center Street was divided into two one-way segments, with northbound traffic on the east segment and southbound traffic on the west segment. This configuration contributed to high auto/pedestrian collision rates at the University/Shattuck intersection, which the 2010 Pedestrian Master Plan¹ identified as the second-highest priority location for safety improvements.

This Project is reconfiguring this section of Shattuck Avenue so that the west side operates as a two-way through street, with prohibited left turn movements at University Avenue, and the east side functions as the primary way to turn onto University Avenue. In particular, making the west side of Shattuck Avenue a through street for northbound traffic has eliminated the former “dogleg” movement for through traffic on Shattuck and has reduced the turning movements from westbound University to northbound Shattuck. This is a major component of the Project which is intended to reduce auto/pedestrian conflicts at this intersection.

ENVIRONMENTAL SUSTAINABILITY

The Project improvements are intended to make Shattuck Avenue in downtown Berkeley more accessible for walking, bicycling, and riding transit, thereby reducing emissions from trips made via single occupancy vehicles. The Project improvements are also expected to reduce collisions between motor vehicles, pedestrians, and bicyclists.

RATIONALE FOR RECOMMENDATION

Ghilotti Construction Company is currently the construction contractor for the Project, and City staff recommends retaining them to perform the additional work. This is due to Ghilotti Construction Company’s in-depth knowledge of the site conditions, established working relationships with City staff, and ability to perform immediately and integrate and coordinate the work into the overall Project schedule, resulting in the most cost-effective and schedule-conducive means of performing the work.

ALTERNATIVE ACTIONS CONSIDERED

If the proposed contract amendment is not approved, the Project may exhaust its budget prior to completion, requiring all work to stop. The project could then only be completed by contracting with a different contractor to perform the additional work, or embarking on a contract amendment while suspending the project, which would result in increased costs and significant schedule impacts. This would delay Ghilotti Construction

¹ See Pedestrian Master Plan, available online at <https://bit.ly/2jOo2y9>; see pages 6-18 and 6-19.

Company's remaining work on the Project, which includes repaving streets and installing pavement markings, likely resulting in further additional costs.

CONTACT PERSON

Farid Javandel, Transportation Manager, Public Works Department, (510) 981-7061
Kenneth Jung, Associate Civil Engineer, Public Works Department, (510) 981-7028

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 31900035 AMENDMENT: GHILOTTI CONSTRUCTION FOR SHATTUCK RECONFIGURATION AND PEDESTRIAN SAFETY PROJECT

WHEREAS, Council authorized the City Manager to enter into a contract with Ghilotti Construction Company for construction of the Shattuck Reconfiguration and Pedestrian Safety Project in the amount of \$7,986,960 on October 16, 2018 (Resolution No. 68,634-N.S.); and

WHEREAS, unanticipated conditions were recently encountered during construction, resulting in additional work to complete the Project; and

WHEREAS, project enhancements were performed in response to community input during construction, with the intent to enhance the design and improve the quality of life; and

WHEREAS, potential further additional work and/or project enhancements may need to be performed during the remainder of the project construction; and

WHEREAS, this Contract has insufficient budget to complete the aforementioned additional work, project enhancements, and potential further additional work and/or project enhancements; and

WHEREAS, the City has neither the staff nor the equipment needed to undertake the additional work; and

WHEREAS, the Project has been identified as a priority by the City of Berkeley; and

WHEREAS, Ghilotti Construction Company, as the construction contractor, has the requisite knowledge, background, and expertise to perform the additional work, which are necessary in order for the City to efficiently complete the Project; and

WHEREAS, funding of \$300,000 is subject to appropriation in the FY 2021 budget from the Capital Improvement fund (Fund 501).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 31900035 with Ghilotti Construction Company for work on the Shattuck Reconfiguration and Pedestrian Safety Project, Specification No. 17-11090-C, increasing the contract amount by up to \$300,000 for an amended total not to exceed \$8,286,960.

