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November 13, 2018

Gail Payne, Senior Transportation Coordinator  
City of Alameda, Planning and Building Department  
2263 Santa Clara Avenue, Room 130  
Alameda, California 94501

Subject: Scope and Cost Proposal for Professional Services for Outreach, Planning, Design for the Clement Avenue Safety Improvements

Dear Ms. Payne:

We are pleased to submit a revised Scope of Work and Cost Proposal to the City of Alameda (City) for the Clement Avenue Safety Improvements Project. This submittal includes revisions to the Scope of Work and Cost Proposal submitted on November 1, 2018 per our discussions with the City.

### **Basis for Overall Costs**

CDM Smith followed guidelines prepared by the Alameda County Transportation Commission (Alameda CTC) to develop the cost estimate. The Alameda CTC published a Cost Estimating Guide (Guide) in June 2015 to assist project sponsors in preparing project and program costs estimates. The Guide established a uniform approach for preparing cost estimates based on proven standard practice so that more accurate and reliable estimates can be prepared to help Alameda CTC more effectively and efficiently manage available funding. The Guide also presents guidelines for estimating the costs of programs by presenting the basic elements that comprise typical program costs.

Appendix B of the Guide, Cost Estimating Reference: Basis of Quantity and Unit Cost Measure, provides guidance for estimating Engineering and Management costs as a percentage of Total Construction Costs (page 34). The Guide includes the following engineering and management costs:

- Engineering Studies (Alternate configuration studies, site investigations, information gathering, and other engineering studies and reports) – 3%
- Environmental Studies (Studies and reports and required to obtain an environmental permit) – 3%
- Design Engineering (Engineering costs from preliminary engineering to final construction drawings, including right-of-way engineering) – 12 to 14%



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- Design Services During Construction (i.e. review of shop drawings and contractor submittals, responding to Requests for Clarifications, and the preparation of construction Record Drawings) – 2%
- Construction Management (All supervisions, inspection, administrative support and materials testing necessary to ensure the work is being constructed to the appropriate standards) – 13%

The Guide also states that the 3% general allowance for Environmental Studies should be reviewed for appropriateness for each individual project, especially for smaller projects, as certain types of environmental studies have a minimum cost regardless of the construction value of the project.

### **Clement Avenue Order of Magnitude Costs**

Based on the Guide and a Total Construction Cost of \$4,278,082 as indicated in the Request for Proposals (RFP), the order of magnitude costs for services included in the Scope of Work for the Clement Avenue Safety Improvements Project are as follows:

- Engineering Studies – 3% (\$128,342)
- Environmental Studies (increased 1% due as a small project) – 4% (\$171,123)
- Design Engineering (Caltrans coordination required) – 13% (\$556,151)
- **Subtotal – 20% (\$855,616)**

Based on the Guide and a Total Construction Cost of \$4,278,082, the order of magnitude costs for services not included in the Scope of Work for the Clement Avenue Safety Improvements Project are as follows:

- Design Services During Construction – 2% (\$85,562)
- Construction Management – 13% (\$556,151)
- **Subtotal – 15% (\$641,712)**

Based on the Guide and a Total Construction Cost of \$4,278,082, the order of magnitude costs for Engineering and Management for the Clement Avenue Safety Improvements Project are 35% (\$1,497,329).

Engineering and Management costs listed in the RFP represent 32.5% (\$1,390,000) of the Total Construction Cost of \$4,278,082.



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### **Changes to the Scope of Work**


Based on conversations with the City of Alameda and additional information provided the following revisions were made to the Scope of Work:

- Task 1.2.7 – Coordination Meetings: Meetings shortened from 2 hours to 1 hour
- Task 2.1 – Identify and Collect Existing Conditions and Background Information: Allowance for additional survey pick-ups has been removed.
- Task 2.2 – Community Outreach: Task to develop a Community Outreach Plan has been removed per conversations as the outreach process is already defined in the Scope of Work
- Task 3.1 – Options Development: Options developed has been reduced from four (4) to three (3) build options, consisting of a bicycle lane option, and two-way bikeway option, and one option to be determined.
- Task 4 – Options Refinement: Revised refinement of two (2) options to a 15 percent design level. Once the LPA is selected, the LPA will be advanced to a 30 percent level.
- Task 5.1 – Air Quality: Task for Air Quality has been removed as the project has been declared exempt by MTC.

### **Revised Cost Proposal**

Based on the above edits to the Scope of Work, CDM Smith is submitting the attached Cost Proposal of services for \$836,310 (down from \$923,431), which is 19.5% of the Total Construction Cost and 60% of programmed soft costs of \$1,390,000.

Sincerely,

A handwritten signature in blue ink, appearing to read "W. Hurrell", written over a light blue circular stamp.

William E. Hurrell, PE  
Vice President  
CDM Smith Inc.

cc: Camille Tsao  
Thaddeus Wozniak