

CITY OF OAKLAND

AGENDA REPORT

2011 MAR 29 PM 5:08

TO: Office of the City Administrator
ATTN: Dan Lindheim, City Administrator
FROM: Deborah Barnes, Department of Contracting and Purchasing
DATE: April 12, 2011
RE: Informational Report From the Contract and Purchasing Department on Contracting Process and Timeline for Various Agencies

SUMMARY

The Committee requested an informational report regarding the contracting process and timeline for the Public Works Agency, Police Department, Fire Department, Attorney's office, Library, Community and Economic Development Agency, Department of Human Services, and City Administrator's Office.

FISCAL IMPACT

As this is an informational report, there are no known fiscal impacts at this time.

BACKGROUND

This informational report focuses on average time lines of the contracting process from various City departments. Staff recently presented a report detailing the process and timelines for construction contracts for the March 22, 2011 report to the Finance and Management Committee. Information was also presented regarding strategies and activities being implemented to significantly streamline and reduce the construction contracting process.

There is a basic baseline contracting process for informal bids, whereby three bids or solicitations are required, and the formal process whereby a public advertisement and an open competitive process is followed. The following provides a summary of the process with competitive bids.

Table 1: Timeline for Non-Construction Contracts

Phase 1 Preparation Needs for Work Order by Project Manager	1	Define good and/or service need and secure funding.
	2	Define funding requirements if different from City
	3	Identify appropriate method to buy good or service: a. Informal or b. Formal

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	4	Decide: Request for Proposal or Notice Inviting Bids
	5	Prepare Specifications/Scope of Work
Phase 2 Once Work Order Submitted: Public Process	6	Advertise (2 to 3 weeks)
	7	Pre-Proposal Meeting (conducted 1 week after advertisements)
	8	Receipt and Review of Bids or Submittals (PM and DCP, 1-2 weeks)
Phase 3 Review and Contract Award	9	Evaluations, Interviews, Assessments, Compliance Analysis. (4-12 weeks)
	10	Council Action (6-8 weeks)
	11	Negotiations with Contractors (1-5 weeks)
	12	Contract Preparation, Insurance and Bonds, Execution and Distribution (up to 2 months)

KEY ISSUES AND IMPACTS

As requested by the Finance and Management Committee, the following is a snapshot of the contracting process and timeline for various City departments.

The Department of Contracting and Purchasing (DCP) administers the majority of purchases of goods and services that result in City contracts and includes the following types:

- ❖ Construction contracts over \$15,000
- ❖ Professional services contracts over \$15,000
- ❖ Contracts for goods and commodities over \$5,000

Grants and loans are administered by the program agency, such as CEDA or DHS. The Social Equity Division of DCP conducts compliance evaluations for Living Wage and Equal Benefits as well as non-compliance investigations.

Professional Services and Construction Contracts Administered by DCP: Process and Timeline

DCP works with using agencies to assist in satisfying their procurement and compliance needs. The average RFP time line noted above in Table 1 is approximately 145 days when considering a variety of influencing factors such as complexity of purchase, changes to the scope of work, and protests. Information about the contract process and timeline for construction contracts, including recent changes made to streamline and shorten the timeline, was recently provided to this Committee. See Attachment A. Current efforts by the inter-departmental committee on contracting and purchasing convened by the City Administrator's office will result in further reductions in the timeline.

Additional reductions in time may be realized by increasing the City Administrator's contract authority from the existing threshold of \$15,000 for Oakland Redevelopment Agency (ORA) contracts and \$100,000 for non-ORA contracts.

Contracts for Goods Administered by DCP's Purchasing Unit

DCP's purchasing division administers informal bids between \$5,000 to \$50,000, and formal bids over \$50,000 for goods and commodities. The process for informal bids is an estimated 20 days and for formal bids up to an estimated 60 days to reach an award. Awards requiring Council approval would take an additional 6 to 8 weeks. Tasks performed by Purchasing staff include converting requests submitted by using agencies into a biddable format to include specifics of the purchase (specifications). Purchasing will advertise a minimum of 10 days before bid opening and a bid recap is prepared in order to identify the lowest bidder. See Attachment B for the activities and timeline.

Grants and Loans

Grants and loans must follow a contracting process expressly stipulated by the awarding authority. Grants may include a community process and may also include the naming of grant partnerships that contribute to the actual grant award.

The majority of the City's grants and loans, including to nonprofit organizations, are administered by the Community & Economic Development Agency (CEDA) and the Department of Human Services (DHS). DCP/Social Equity conducts compliance and non-compliance investigations for Living Wage and equal benefits.

CEDA Grants and Loans

All CEDA contracts which require a formal RFQ/RFP process are typically worked on with DCP assistance. The timeline associated with administering different CEDA grants and loans varies and is dependent on whether special requirements are attached, such as from the funding source. Below is a snapshot.

Grant programs with pre-authorization from Council (mostly Façade/Tenant Improvement Program grants): 3-5 months

1. Concept/owner application/bids: Avg. 2 months
2. Contract preparation and execution: 1-3 months

Community Development Block Grants: 15 months

1. Public competitive process including local CDBG boards: 7 months
2. Council report preparation and approval: 2 months
3. Contract development and approval: 6 months. Note that this step is long due to the delay in the release of HUD funds following Council action, and mandatory orientation training for contractors (in addition to the usual City contracting processes).

Cultural Arts Program grants: 11 months

1. Public competitive process including Cultural Arts Commission: 6 months
2. Council report preparation and approval: 2 months
3. Contract development and execution: 3 months

Housing Funding Agreement: 8-10 months

1. NOFA process: 5 months.
2. Council report preparation and approval: 2 months
3. Letters of commitment—immediate
4. Final loan agreement execution: 1 to 3 months; varies widely depending on complexity of the transaction and negotiations, also upon developers attainment of other financing.

Professional Services contracts less than \$15K, no separate Council approval required: 3-4 months

1. Informal bid/selection process: 1.5-2 months.
2. Contract preparation and execution: 1-2 months.

ORA-funded Professional Services contracts greater than \$15K, Council approval required: 5-6 months

1. Informal selection process: 1-2 months
2. Council report preparation and approval: 2 months
3. Contract development and execution: 2 months.

Loans to first-time homebuyers: 2-2.5 months

1. Intake/Underwriting: 3 days
2. Close: 45-60 days after the buyer enters into contract.
3. In-house review: 5 days (if all documents are complete)
4. Check through AP: 3 days
5. Wire transfer: 7 days

Rehabilitation Programs: 2-3 months

1. Intake/Underwriting: 10-14 days
2. Project Design: 30-45 days
3. Bid Process: 15 days
4. Escrow Closing: 10-14 days

Emergency Home Repair Program: 1 month

1. Intake/Underwriting: 10-14 days
2. Loan Approval/Escrow Closing: 10-14 days

DHS Grants

DHS administers contracts for a number of different grants, including the Oakland Fund for Children and Youth (OFCY), Measure Y, Head Start, and other programs. The general process is the following:

- DHS issues an RFP based on strategic plan or City priorities. Receive responses to RFP and then they are ranked by review panels. Recommendations are determined. Notifications and Appeals occur.
- OFCY recommendations go to the POC for approval. Review by POC: OFCY Review and Selection Committee requires 4 **noticed** public meetings (mid Feb through March). For Measure Y, the Measure Y Oversight Committee reviews. For the CAP- recommendations go to the CAP Administering Board for approval.

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- Recommendations for grantee contractors go forward to Council Committees (Life Enrichment or Public Safety) and then onto full Council.
- An example of the timeline would be as follows: RFP is issued in November and is due in January. Review and Appeals by mid-March. POC Recommendation and Appeal Process (April 1 to May 5) (*three noticed public meetings*). Council report drafted by April for presentation in May. In total, a six-month process from inception to approval.
- Scopes of work are negotiated. Grantees begin completing their forms. (Some are required with the RFP and the rest are submitted afterwards.) We are dependant on grantees to submit forms in order to complete the contracting process.
- Contracts are forwarded to City Attorney for a 2-3 week turnaround (depending on amount of contracts to be reviewed could take even longer), also need Risk Management and City Administrator's approval which can add another 2 weeks.
- For most programs with the exception of OFCY, the timeline is approximately 7-8 months in total.
- Below is a table which portrays OFCY's timeline. Their timeline is about 9 months total from inception to completion due to the required noticed public meetings.

OFCY Grants Timeline

OFCY Request for Proposal & Review Process	
RFP released (mid nov)	
Proposals due (mid jan)	8 weeks
Review: Proposals are read and scored by external reviewers and staff (mid to late Feb)	4 weeks
Review by POC: OFCY Review and Selection Committee requires 4 <i>noticed</i> public meetings (mid Feb through March)	6 weeks
POC Recommendation and Appeal Process (April 1 to May 5) (<i>three noticed public meetings</i>)	4 weeks
LEC agenda report prepared and submitted	4 weeks

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by and approved by June 15; resolution	
	26 weeks
Contracting Process	
Negotiation and approval of scope of work by June 30	
Organizations submit required forms and insurance; policy targets 100% by Oct. 1	(30 days to 4 months) Submitted June to October.
From document submission, Grant Compliance Review	1 week
City Attorney Review	(2 weeks to 3 weeks)
DHS 2 nd Review	(1 week)
City Administrator Review	(1 to 2 weeks)
	9 or more weeks

Public Works Agency (PWA)

The PWA administers contracts under \$15,000 for construction and professional services and under \$5,000 for goods and commodities.

The timeline for goods and commodities is as follow:

- ❖ Obtain 3 bids: 2 - 4 weeks
- ❖ Create the Requisition: 15 min.
- ❖ Approval the requisition and create Standard Purchase Order approval: 1 -2 days.

Fire Department

The Fire Department executes a small number of contracts each year. For those that are below the threshold requiring Council approval, the process is relatively short and straight-forward.

Less than \$15,000 without Formal RFP/RFQ Process

When initiating a contract for an amount that is less than \$15,000, the following steps are followed:

1. OFD staff spends 1-2 days preparing the contract template and associated schedules.
2. The contractor spends 15-60 days completing the schedules.

3. OFD spends 1-5 days reviewing the contractor's schedules and submits to the City Attorney's office, if all documents are in order. If they are not in order, OFD staff communicates with the contractor to request additional information.
4. OFD staff reviews insurance information provided and if necessary, requests insurance waiver. This process takes 1-5 days to complete.
5. The City Attorney's office spends 1-5 days reviewing the contract and schedules, if it is a routine contract. If the contract is not routine, it can take the City Attorney's office significantly more time to analyze and decide what needs to be done in order to move forward with a particular vendor or for a particular type of agreement.
6. After the City Attorney's office sign-off, the City Administrator's office spends 1-10 days reviewing the contract and schedules before sign-off.

Library

For professional services contracts under \$15,000, bids are handled by Library staff and approved by DCP. These contracts that do not require Council action take from 7 to 30 days. The ones that require Council action take an additional 45 to 60 days.

Police Department

When initiating a contract for an amount that is less than \$15,000, the following steps are followed:

1. OPD spends 1-2 days preparing the contract template and associated schedules.
2. The contractor spends 5 - 15 days completing the schedules.
3. OPD spends 1- 5 days reviewing the contractor's schedules and submits to the Office of Chief of Police for forwarding to the City Attorney's office and City Administrator's office for review and signature, if all documents are in order.
4. The City Attorney's office spends 5 -10 days reviewing the contract and schedules, if it is a routine contract. If the contract is not routine, it can take the City Attorney's office significantly more time to analyze and decide what needs to be done in order to move forward with a particular vendor or for a particular type of agreement.
5. After the City Attorney's office sign-off, the City Administrator's office spends 5-10 days reviewing the contract and schedules before sign-off

City Administrator's Office

The bulk of contracts are handled by DCP. For the American Sign Language contracts administered by the ADA Division, it takes about 6 weeks from the RFP to notice to proceed issuance.

SUSTAINABLE OPPORTUNITIES

Economic: A cohesive and expeditious city wide contracting process creates timely distributions of contracts to businesses doing business with the City of Oakland and more timely delivery of services to the City.

Environmental: There are no environmental issues or opportunities in this informational report.

Social Equity: An expeditious city wide contracting process results in more timely distributions of contracts to for profit and not for profit small and local businesses.

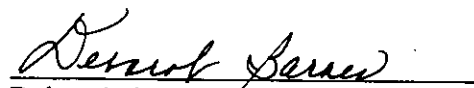
DISABILITY AND SENIOR CITIZEN ACCESS

There are no disability and senior citizen access issues in this informational report.

ACTION REQUESTED OF THE CITY COUNCIL

It is recommended that the Council accept this informational report.

Respectfully submitted,



Deborah Barnes

Director

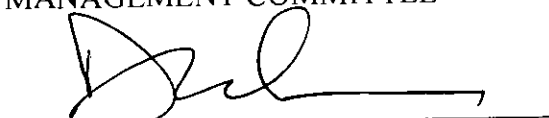
Department of Contracting & Purchasing

Reviewed by:

Margaretta Lin

Deputy City Administrator

FORWARDED TO THE FINANCE AND
MANAGEMENT COMMITTEE


Office of the City Administrator

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FILED
OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND

AGENDA REPORT

2011 MAR 10 PM 6:30

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Department of Contracting and Purchasing
DATE: March 8, 2011
RE: A Joint Informational Report on the City's Contracting Process for Public Works Projects Including Timelines Compared to Other Entities and Contributing Factors Such as Staffing.

SUMMARY

The contracting process for the Public Works Agency covers the purchase of goods and services. Goods include commodities, supplies and unit priced items. Services include professional/non-professional and construction. This report focuses on the category of construction services only.

Staff will return to this committee at a later date with an outline and efficiencies for the professional services contracting process. Because construction is the most complicated and involved process this information helps to lay the foundation for discussion purposes.

The existing contracting process takes an average of 272 calendar days, depending upon a variety of influencing factors that may include but not limited to staffing, turnaround time of documents, protests, and re-bids.

The proposed process is expected to reduce the existing turn around time by 104 days. The reductions will be realized by parallel processes, early initiation of council reporting, and moving to the next lowest bidder if a contractor or consultant fails to respond in the 20 days allotted.

Attachment II provides the flow chart of the revised or "Proposed" contracting process and includes improvements from the issuance of a work order to issuance of a Notice to Proceed (NTP), which formally directs the contractor to commence work.

Attachment III includes the existing and proposed timelines and provides a very graphic picture of an improved proposed timeline.

It is estimated that some 40 days could be saved if the City Council delegated authority to award contracts under \$1,000,000, where funds have been previously approved by City Council, to the City Administrator or Director of Public Works as is done in San Francisco, San Jose, Los Angeles, Long Beach and San Diego.

Recently, the Public Works Agency celebrated re-accreditation. Contract Administration Division of the Department of Contracting and Purchasing played a significant role by providing details of the contracting processes. The process was approved as valid and specific to the requirements as outlined by the accreditation entity.

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FISCAL IMPACT

Staffing is at a critical shortfall in the Contract Administration unit of the Department of Contracting and Purchasing. When this unit functioned under the Public Works Agency, it was considered understaffed at five full time employees (PTEs) who served PWA only. Current staffing includes two full time employees and one part-time employee. We are in the process of filling one and one half vacancies.

In addition to this staff shortage, it is important to note that over the last year, two full time employees and one part time employee took time off under a doctor's care for 6-8 weeks at different intervals for various personal reasons. This sequence of events created an extreme backlog for the Public Works Agency. This last year was indeed most negatively impact with the largest lag times in the history of the unit. Now the unit is working to regain efficiencies.

With assistance from using agencies, in particular the Public Works Agency, the unit has been able to move forward and within the next three months should be staffed back to the post budget level of two and one half administrative Analysts II, a part time office Assistant II and a Service Supervisor.

In order to function at 95% efficiency, at least one additional Administrative Analyst II (recruited as a Contract Specialist) must be hired. In addition, the part time Administrative Analysts II and the Office Assistant II must be brought back up to full time. These actions will bring the unit back up to 90% capacity.

The costs for one additional Administrative Analyst II /Contract Specialist and bringing the part time Office Assistant II and Administrative Analyst II back up to full time hours will cost approximately \$192,623.00 (salaries plus fringe):

<u>Part Time to Full Time</u>		
1	Administrative Analyst II	\$ 51,475.00
2	Office Assistant II	\$ 29,620.00
<u>One Additional Full time</u>		
3	Administrative Analyst II	\$ 111,528.00
		\$ 192,623.00

BACKGROUND

Several localities, including San Francisco, Los Angeles, San Jose and Alameda County were contacted to glean turnaround times for their contracting processes from the point of preparing

and completing plans and specifications to NTP. On average, the turnaround times ranged from 120 to 280 days when including protests and re-bids.

When the contracting process occurs smoothly with zero errors or events, the turnaround time averaged approximately 150 to 160 days. A number of influencing factors contribute to the variance in turnaround times. For example, contracting processes are influenced by staffing patterns, authority levels, and approval procedures, including council approval.

The City of Oakland has the lowest City Administrator threshold than other comparable cities. In addition, other localities recruit for contract specialist as opposed to a citywide classification such as Administrative Analyst.

In measuring the City of Oakland's processes and expected outcomes, the improved process will reduce turnaround time by 104 days.

KEY ISSUES AND IMPACTS

The existing process found as Attachment I can be improved significantly by introducing parallel processes, earlier document implementation and cut off points for non-responsive contractors. Coupled with full staffing, the process will run shorter.

Attachment II shows the Proposed Contract Bid and Award Process for Construction projects. Key points of the proposed flow chart include the following changes:

- (Step 1) - Submit complete bid package with work order.
- The work order initiates work and is submitted by the using agency. Heretofore, work orders and bid packages were submitted at various degrees of completion. Under the new process, complete packages will be submitted. Incomplete packages will be returned with the work order.
- (Steps 2 and 3) Contract Administration will assign staff, review documents, set and hold initial conference with all parties. This will occur between 10-15 days given current workload. The target is 10 days.
- (Steps 4 & 6) Include reproducing documents and preparing the legal advertisement.
- (Steps 5 and 7-9) Include preparation of the legal advertisement and placing that advertisement in the paper of record. Time allotting for accepting bids will range from 2 to 4 weeks depending upon the complexity of the project. For example, routine work will have a two-week turnaround time and more complex projects including the mandates of Disadvantaged Business Enterprise Program requirements (DBE) carry a 3 to 4 week period.
- Steps 12-21 will take place several weeks sooner and sign off on the agenda report will take place as a parallel process. An additional 40 days could be saved if the City Council delegated authority to award contracts under \$1,000,000 to the City Administrator or Agency Director. Many City Councils, including San Francisco, San Jose, Los Angeles, Long Beach and San Diego, have recognized that projects are already approved by the City Council through the budget process, grant approval, or other legislative action. Award of the construction contract to a contractor is an administrative function, which can be delegated to an Agency Director.

- Step 22 - A work order/e-mail notification to initiate the contract award process after approval by the Public Works Committee. It is at that time that the award has been accepted or denied. If accepted, the contract document can be prepared.
- Steps 24 and 25 are significant. Contracts must be returned within 10 days. If documents are not returned, the Agency may choose to move to the next lowest bidder. Staff will request permission to drop to the next most responsive and responsible bidder.

Given the changes in various steps as noted above, DCP and PWA staff will continue to review the process on an ongoing basis to identify efficiencies and improvements.

SUSTAINABLE OPPORTUNITIES

Economic: Local and Small Local contractors will realize a shorter turnaround time for receiving contracts and receiving a notice to proceed.

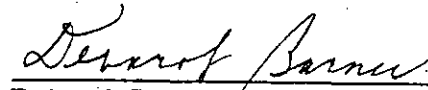
Environmental: N/A

Social Equity: Increased use of local businesses.


ACTION REQUESTED OF THE CITY COUNCIL

Staff reconunends that the City Council approve the resolution adopting the attached LCP.

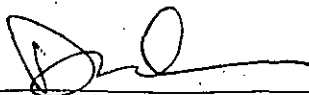
Respectfully submitted,



Deborah Barnes, Director
Department of Contracting and Purchasing


Vitaly B. Troyan, P.E, Director
Public Works Agency

FORWARD TO THE
FINANCE AND MANAGEMENT COMMITTEE:

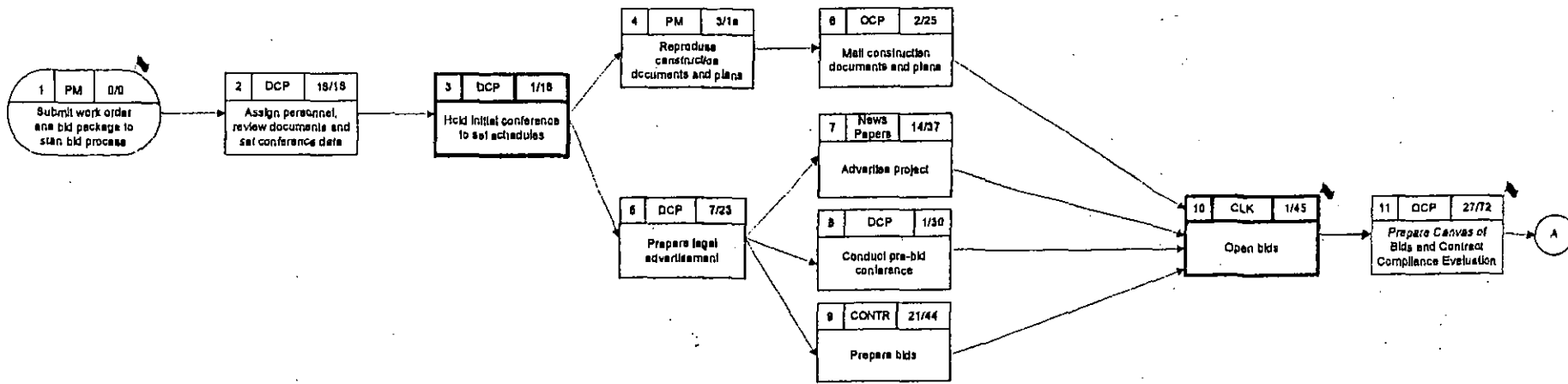

Office of the City Administrator

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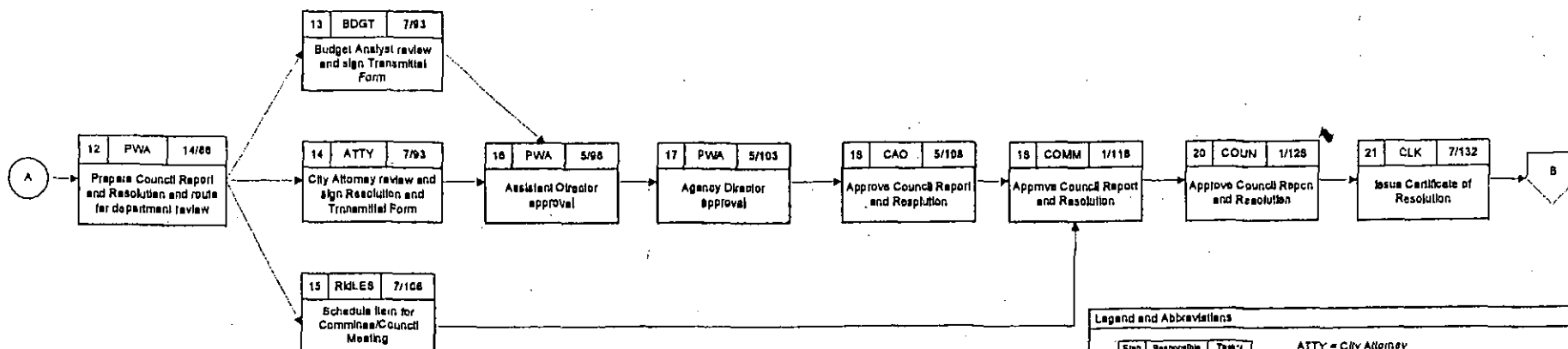
ATTACHMENT I

Existing Contract Bid and Award Process for Construction Projects

Advertise and Bid (72 days)



Council & Resolution (60 days)



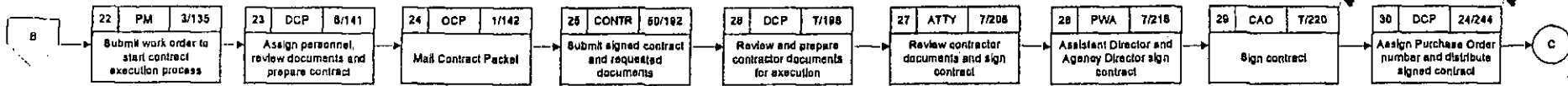
Legend and Abbreviations

Step #	Responsible Party	Task/Cont.
Description of Task		
*Task Duration and Cumulative Duration are measured in calendar days.		
▲ Data is tracked in PTA		

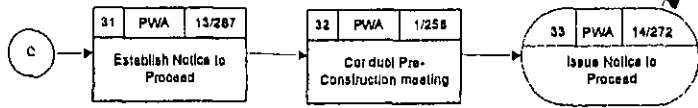
ATTY = City Attorney
 BDGT = Budget Office
 DCP = Department of Contracting and Purchasing
 CAG = City Administrator
 CLK = City Clerk
 COMM = Council Committee
 CONTR = Contractor
 COUN = City Council
 PM = Project Manager
 PWA = Public Works Agency

Existing Contract Bid and Award Process for Construction Projects

Contract Award (112 days)



Notice to Proceed (28 days)



Step #	Responsible Party	Task's Cum. Date	Description of Task
<p>*Task Duration and Cumulative Duration are measured in calendar days</p> <p>▲ Date is treated in PTA</p>			

<p>ATTY = City Attorney BDCI = Budget Office DCP = Department of Contracting and Purchasing CAO = City Administrator CLK = City Clerk COMM = Council Committee CONTR = Contractor COUN = City Council PM = Project Manager PWA = Public Works Agency</p>

Existing Contract Bid and Award Process for Construction Projects

1. PM - Submit work order and bid package to start bid process

The Project Manager completes the Department of Contracting and Purchasing (DCP) work order to start the bid process. The work order form is submitted to DCP along with the City Administrator Check List, memorandum approving for bids from the Assistant Director, Oracle funding information, Ready to Advertise Checklist, project plans, specifications, and engineering estimate.

2. DCP - Assign personnel, review documents and set conference date

The Front Desk personnel at Department of Contracting and Purchasing (DCP) log the work order into the DCP database and forward the project to the Supervisor for assignment. The Analyst and Compliance Officer review the documents, and contact Project Manager with a meeting date and time for initial conference.

3. DCP - Hold initial conference to set schedules

The Analyst, Compliance Officer and Project Manager meet to schedule dates for advertising bids, conducting pre-bid conference, opening bids, preparing Canvas of Bids, preparing Contract Compliance Evaluation and preparing Council Report and Resolution.

4. PM - Reproduce construction documents and plans

The Project Manager updates the construction documents and plans with the Analyst and Compliance Officer names and contact numbers, pre-bid conference information, and bid opening information. The Project Manager sends the construction documents and plans for reproduction and provides the copies to the Analyst prior to the start of the advertising period.

5. DCP - Prepare legal advertisement

The Analyst prepares the legal advertisement, routes to the Supervisor and DCP Director for approval and sends to advertising agencies for advertisement. Typically, the City advertises on the Oakland Tribune, San Francisco Chronicle and the Post, but the Project Manager could add other local newspapers as well.

6. DCP - Mail construction documents and plans

The Analyst mails the project "green card" to the list of contractors on the Builders Exchange. The "green card" is a summary of the project printed on half sheet green card stock. It lists the pre-bid meeting and bid opening dates, times and locations as well as the project contact names and phone numbers.

7. Newspapers - Advertise project

The advertisement is due to the advertising agencies on different days, and each agency runs the project for one week duration. For complex projects, the advertisement duration can be extended.

Existing Contract Bid and Award Process for Construction Projects

8. DCP - Conduct pre-bid conference

DCP schedules the pre-bid conference (the pre-bid conference is only held on Tuesdays and Wednesdays). The conference occurs between the advertisement date and bid due date. For some projects, this conference may be mandatory or highly recommended. It provides an opportunity for potential bidders to ask technical questions and questions regarding City policy. The Analyst, Compliance Officer and Project Manager meet with interested Contractors.

9. Contractor - Prepare bids

The Contractors prepare their bids.

10. City Clerk - Open bids

Bid opening is only scheduled on Thursdays. The City Clerk receives and opens the bids and the Analyst records the bid results.

11. DCP - Prepare Canvas of Bids and Contract Compliance Evaluation

The Analyst prepares the Canvas of Bids and a summary of required documents (i.e. Schedule O, Schedule R, Schedule K, Bid Security, and acknowledge and sign off of receipt of Addenda). The Compliance Officer completes the Contract Compliance Evaluation to reflect local/small local business participation levels and bid discounts. A letter summarizing the Canvas of Bids and Contract Compliance Evaluation is provided to the Project Manager.

12. PWA - Prepare Council Report and Resolution and route for department review

To obtain Council approval to award the contract to the lowest responsible bidder, the Project Manager prepares an 'Agenda Report', which consists of an Internal Agenda Report Routing Form, Agenda Item Transmittal Form, Memorandum to Rules & Legislation Committee, Council Report and Resolution. The preparation of an Agenda Report requires the coordination of many City Departments and Agencies, the City Administrator and the City Clerk's Office.

Upon completing a draft Agenda Report, the Project Manager routes it first to his/her Supervisor, then on to the Division Manager and Assistant Director for review and comments. Once the comments are incorporated, the Project Manager/Supervisor: 1) routes a copy of the documents to the Budget Office for review and feedback; 2) emails the draft Agenda Report to the Assistant Director's Administrative Assistant; and 3) forwards the Memorandum to Rules & Legislation Committee to the PWA Agenda Coordinator. The Assistant Director's Administrative Assistant is tasked to route the draft Agenda Report to the City Attorney for legal review. The PWA Agenda Coordinator facilitates the scheduling of the agenda item at the next Rules Committee Meeting.

13. Budget Office - Budget Analyst review and sign Transmittal Form

The Budget Analyst reviews the Council Report and Resolution and informs the Project Manager of any fiscal concerns. Upon satisfactory review, the Budget Analyst signs and returns the accompanying Agenda Item Transmittal Form.

Existing Contract Bid and Award Process for Construction Projects

14. Office of the City Attorney - City Attorney review and sign Resolution and Transmittal Form

The City Attorney reviews the Council Report and Resolution and informs the Project Manager any legal concerns. The City Attorney also reviews the form and format of the Agenda Report title to ensure it complies with the State's "Brown Act". Upon satisfactory review, the City Attorney signs and returns the Resolution and the accompanying Agenda Item Transmittal Form.

15. RULES - Schedule item for Committee/Council Meeting

Rules Committee formally schedules the item for the appropriate Committee Meeting. In certain cases, the Project Manager may request to schedule the item directly to Council and bypass the Committee. The Project Manager and Supervisor attend the Rules Committee Meeting to respond to questions.

16. PWA - Assistant Director approval

The Budget and Legal-approved Agenda Report is routed to the Assistant Director (2nd review) via the PWA Agenda Coordinator for review, edits and approval. The Assistant Director signs the Agenda Item Transmittal Form prior to forwarding to the Agency Director.

17. PWA - Agency Director approval

The Agency Director signs the Agenda Report and the accompanying Agenda Item Transmittal Form prior to forwarding to the City Administrator's Office.

18. CAD - Approve Council Report and Resolution

The City Administrator's Office reviews the Agenda Report and provides edits and comments to the Project Manager through the PWA Agenda Coordinator. Revisions to the report are due back to the City Administrator's Office within 24-hours. Upon satisfactory review, the City Administrator signs the Agenda Report and forwards the Council Report and Resolution to the City Clerk's Office for publication. To allow time for review by the public and meeting participants, the Agenda Report and its supporting materials are produced and made available to the public ten (10) days before the item's Committee meeting date.

19. Council Committee - Approve Council Report and Resolution

The PWA Division Manager, Supervisor and Project Manager attend the Council Committee to respond to questions. The Council Committee approves the Council Report and Resolution.

20. City Council - Approve Council Report and Resolution

The PWA Division Manager and Supervisor attend the City Council Meeting to respond to questions. The City Council approves the Council Report and passes the Resolution.

21. City Clerk - Issue Certificate of Resolution

The City Clerk assigns a Resolution Number and issues the Certificate of Resolution.

Existing Contract Bid and Award Process for Construction Projects

22. PM - Submit work order to start contract execution process

The Project Manager completes the Department of Contracting and Purchasing (DCP) work order to start the contract execution process. The work order form is submitted to DCP along with the Contract Summary to the City Administrator, Schedule T and a copy of the Resolution. The Project Manager also informs Project Delivery that the contract execution process has started so that Project Delivery can assign a Resident Engineer to the project.

23. DCP - Assign personnel, review documents and prepare contract

The Front Desk personnel log the work order into the database and forwards to the Supervisor for assignment to the Analyst. The Analyst (1) reviews the documents for language consistency and prepares contract documents using published details in bid documents and Resolution, (2) prepares Performance and Payment Bonds on the City's required form, (3) includes Schedule Q in Contract Packet, (4) includes W-9 form in Contract Packet, (5) requests Contractor's License and Tax License (5) requests any other required documents not submitted during time of bid, and (7) prepares cover letter to contractor outlining contents of packet and instructions.

24. DCP - Mail Contract Packet

The Analyst distributes the Contract Packet to the Contractor with 20 calendar day turnaround time.

25. Contractor - Submit signed contract and requested documents

The Contractor submits bonds, insurance, signed contract and all documents noted in Step 23 above to Department of Contracting and Purchasing (DCP).

26. DCP - Review and prepare contractor documents for execution

The Analyst reviews the Contract Packet for completeness and prepares it for sign off by City Attorney, Public Works Agency (PWA) Assistant Director, PWA Agency Director and City Administrator.

27. Office of the City Attorney - Review contractor documents and sign contract

The City Attorney reviews the Contract documents as to form and legality, signs the contract and then returns to Department of Contracting and Purchasing (DCP) to forward to Public Works Agency (PWA).

28. PWA - Assistant Director and Agency Director sign contract

The Assistant Director and Agency Director review and sign the contract and then forward to the City Administrator.

29. CAO - Sign contract

The City Administrator signs the contract (finalizing contract execution) and then returns it to Department of Contracting and Purchasing (DCP).

Existing Contract Bid and Award Process for Construction Projects

30. DCP - Assign Purchase Order number and distribute signed contract

The Analyst processes the signed contract, assigns a Purchase Order number and distributes the original signed contract to (1) City Clerk, (2) Contractor, and (3) Accounts Payable. Contract copies are distributed to (1) Project Manager, (2) Resident Engineer, (3) Contract Administration, and (4) Social Equity.

31. PWA - Establish Notice to Proceed

The Project Manager sends a request with a copy of the signed contract to Project Delivery to issue Notice to Proceed. The Resident Engineer coordinates with the Contractor and Project Manager (and other agencies or involved parties, if necessary) to set up the Pre-Construction Meeting.

32. PWA - Conduct Pre-Construction meeting

The Resident Engineer, Contractor and Project Manager (and other agencies or involved parties, if necessary) meet to discuss construction details and concerns. A date for Notice to Proceed (NTP) is also determined during this meeting.

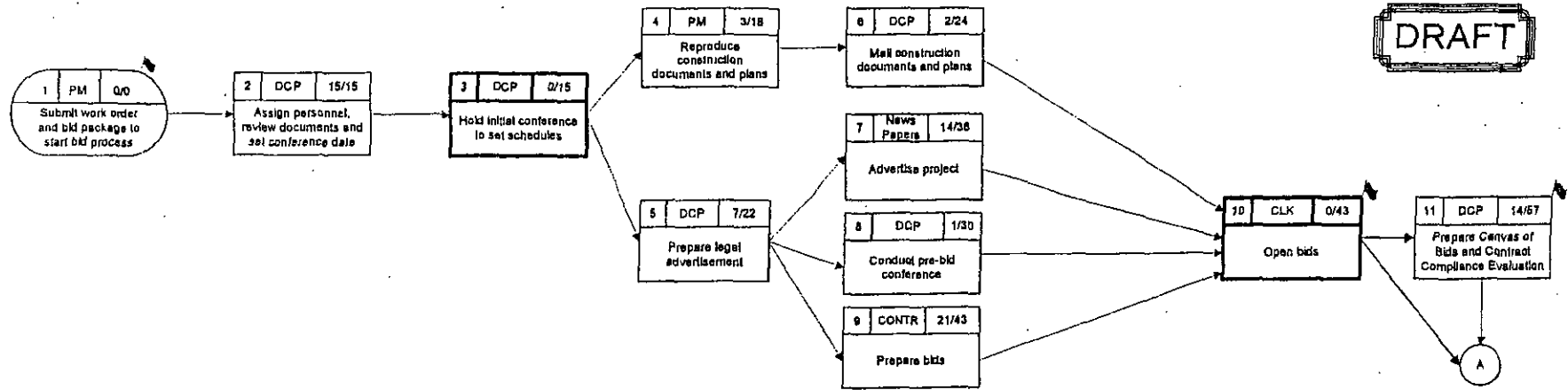
33. PWA - Issue Notice to Proceed

The Resident Engineer prepares the Notice to Proceed (NTP) for Assistant Director's signature. The Assistant Director issues the NTP.

ATTACHMENT II

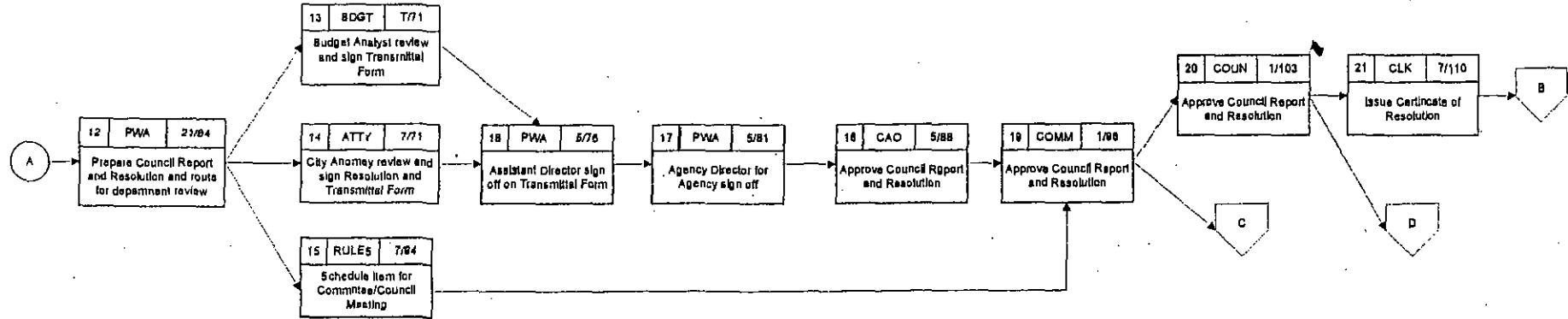
Proposed Contract Bid and Award Process for Construction Projects

Advertise and Bid (57 days)



DRAFT

Council & Resolution (67 days)



Legend and Abbreviations

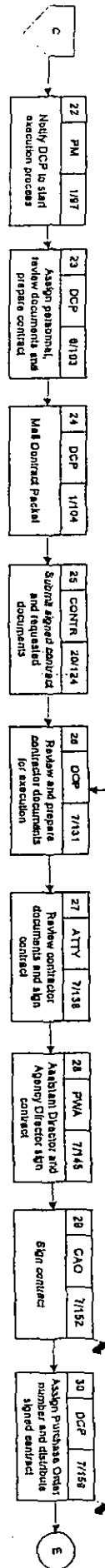
Step #	Responsible Party	Task/ Curr.
Description of Task		
*Task Duration and Cumulative Duration are measured in calendar days		
Date is tracked in PTA		

ATTY = City Attorney
 BDGT = Budget Office
 DCP = Department of Contracting and Purchasing
 CAO = City Administrator
 CLK = City Clerk
 COMM = Council Committee
 CONTR = Contractor
 COUN = City Council
 PWA = Public Works Agency

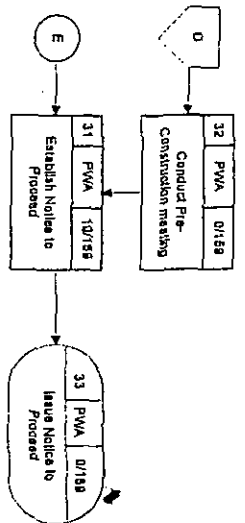
Proposed Contract Bid and Award Process for Construction Projects

DRAFT

Contract Execution (63 days)



Notice to Proceed (66 days)

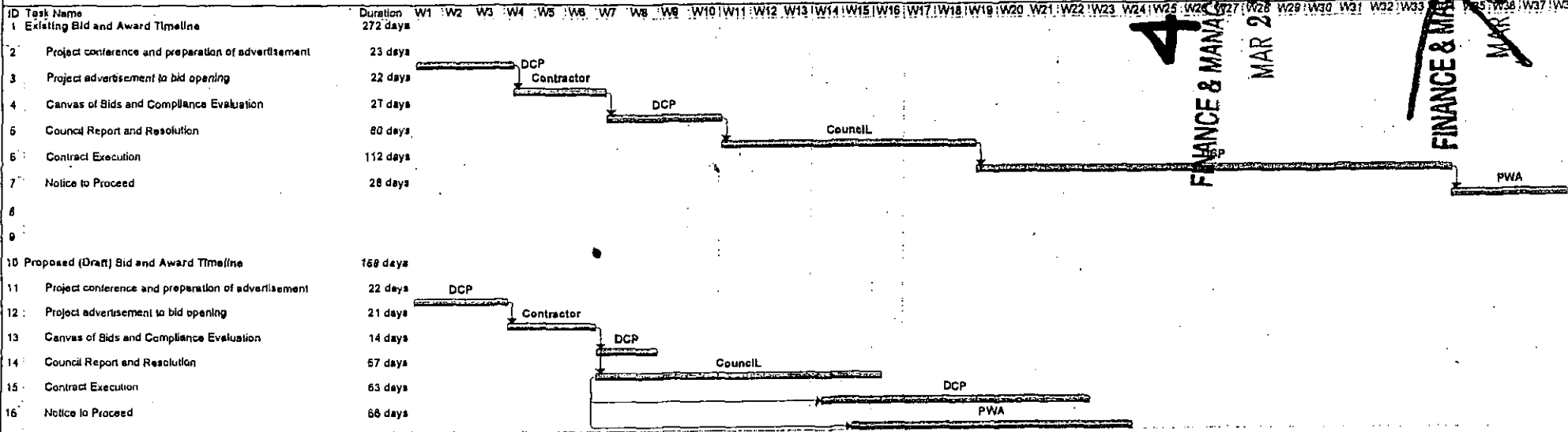


Legend and Abbreviations

Step	Responsible Party	Task/Cont.
Description of Task		
Task Duration and Completion indicated in calendar days		
Date is listed in PTA		

ATTY = City Attorney
 BDET = Budget Office
 DCP = Department of Contracting and Purchasing
 CAO = City Administrator
 CLK = City Clerk
 COMM = Council Committee
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 COUN = City Council
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 PWA = Public Works Agency

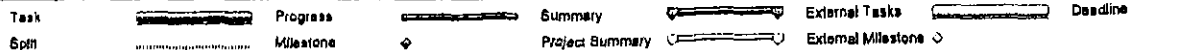
Existing and Proposed (Draft) Bid and Award Process Timeline



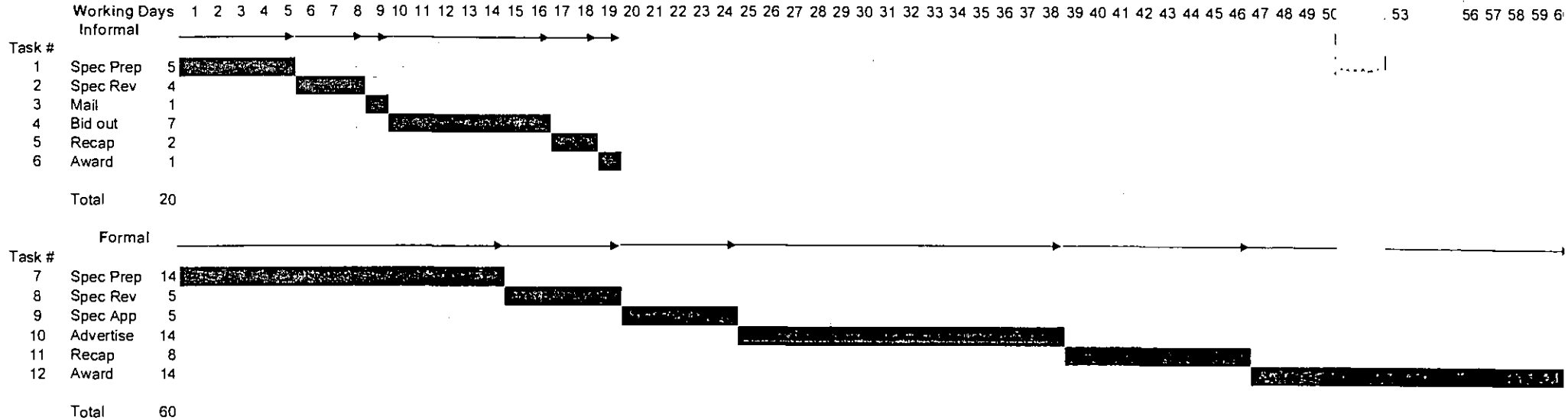
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FINANCE & MANAGEMENT CMTE.
 MAR 22 2011
~~13~~
 FINANCE & MANAGEMENT CMTE.
 MAR 08 2011

Project: Bid and Award Process
 Date: Feb 21/11



DEPARTMENT OF CONTRACTING AND PURCHASING
PURCHASING OPERATIONS
TYPICAL TIMELINE



Task Description

- 1 - Convert department's request into biddable format, make sure requirements meet all Council goals and directives, and seek local participation.
- 2 - Get department signoff on proposed specification.
- 3 - The minimum time calculated could be longer for non-local vendors.
- 4 - One week is the average time required to receive adequate bids.
- 5 - Evaluate bids for lowest responsible bidder.
- 6 - Document award prepare and issue Purchase Order.

- 7 - Convert department's request into biddable format, make sure requirements meet all Council goals and directives,
- 8 - Department review specifications, if specifications meets department's expectations department signs off.
- 9 - Specifications are approved, duplicated and mailed to vendors for a bid.
- 10 - Requirements for specifications are faxed to the Oakland Tribune for advertisement, a minimum of 10 days before bid opening date.
- 11 - Bids are received and a bid recap is prepared to evaluate the lowest bidder.
- 12 - An award package is prepare for City Council's approval for the lowest bidder.