

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK

2006 APR 20 PM 8:32

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: April 25, 2006

RE: Resolution Authorizing The City Administrator To Reject All Bids And Negotiate With The Bidders (Starting With The Lowest Bidder, And If Necessary, With The Second And Third Bidders) And Execute A Construction Contract For The Rehabilitation Of Sanitary Sewers In The Easement Off Nairobi Place (Project No. C67310) For an Amount Not To Exceed Six Hundred Eighteen Thousand Nine Hundred Twenty Dollars (\$618,920.00) Without Return to Council

SUMMARY

A resolution has been prepared authorizing the City Administrator to reject all bids and negotiate with the bidders, starting with the lowest bidder and if necessary with the second and third bidders, and execute a construction contract for the award of the Rehabilitation of Sanitary Sewers in the Easement off Nairobi Place (Project No. C67310) for an amount not to exceed Six Hundred Eighteen Thousand Nine Hundred Twenty Dollars (\$618,920.00) without return to Council. The work to be completed under this project is part of the City's sanitary sewer rehabilitation program in the Chimes Creek area. The work is located in Council District 6 as shown on the location map in *Attachment A*.

FISCAL IMPACT

There are sufficient funds in the project budget for an amount not to exceed Six Hundred Eighteen Thousand Nine Hundred Twenty Dollars (\$618,920.00) for the work. Funding for this project is available in the Sewer Service Fund (3100), Capital Project-Sanitary Sewer Design Organization (92244), Sewers Account (57417) and Rehabilitation of Sanitary Sewers in the Easement off Nairobi Place (Project No. C67310). These funds were specifically allocated for this project.

BACKGROUND

This project is part of the City's sanitary sewer rehabilitation program in the Chimes Creek area. As reported to the Public Works Committee on March 28, 2006, the City has several planned sanitary sewer rehabilitation projects for the Chimes Creek area to improve the condition of the aging system and prevent sanitary sewer overflows to the creek. This project will rehabilitate the existing sewer pipes along the creek banks and also repair and stabilize a portion of the creek bank, where erosion has exposed and broken a sewer pipe. This project is planned to start construction soon after May 15, 2006. The construction schedule for this project is limited to a period from May 15th to October 30th by a State Fish and Game permit requirement. This project must be constructed and completed this year to avoid further erosion of the creek bank and damage to the exposed sewer pipe.

Item: _____
Public Works Committee
April 25, 2006

On February 27, 2006, the City Clerk received three bids for this project in the amounts of \$523,880.00, \$715,260.00, and \$724,902.00 as shown in *Attachment C*. The engineer's estimate for this project is \$618,920.00. The lowest bidder does not meet the City's SLBE requirement, and the second low bidder meets the City's SLBE and LBE requirements but is 36% above the lowest bidder's amount and 15% over the engineer's estimate.

Outreach for this project included mailing over four hundred Notices Inviting Bids to general and sanitation systems contractors from the Public Works and Contract Compliance lists, publishing the notice in the local Builders' Exchange with a circulation of over 9,000 members, and placing advertisements in the Oakland Tribune and the San Francisco Chronicle newspapers and the Daily Pacific Builders – McGraw Hill with a daily circulation of 2,000 contractors.

This project meets the Mayor/Council Goals and Citywide Objective to **Build Community and Foster Livable Neighborhoods** by providing for clean, well-maintained and accessible streets and sidewalks, facilities, amenities, parks, recreational facilities and trees.

In general, the proposed work consists of rehabilitating approximately 2,240 linear feet of existing sewer pipes; rehabilitating 17 sewer structures; reconnecting house connection sewers; stabilizing creek bank; and other related works as indicated on the plans and specifications.

KEY ISSUES AND IMPACTS

The State Fish and Game permit limits this project's construction activities to a period from May 15th to October 30th. Rebidding the project would result in a contract award date that would not allow the contractor sufficient time to complete the project within the specified timeframe, and would require reapplication for a Fish and Game permit. Rebidding would delay construction for one year and risk further erosion of the creek bank and damage to the exposed sewer pipe.

The contract specifies \$1,000.00 in liquidated damages per working day if the contract completion time of 60 working days is exceeded. The project schedule is shown in *Attachment B*. By rejecting all bids and negotiating, staff can assure the project is completed this summer and that the project meets the City's LBE/SLBE requirements.

SUSTAINABLE OPPORTUNITIES

Economic: The contractor is required to have 50% of the work hours performed by Oakland residents, and 50% of all new hires are to be Oakland residents.

Environmental: The replacement of the sanitary sewers will eliminate the possibility of sewer leakage and overflows and thus prevent potential harm to groundwater resources and the bay.

Social Equity: This project is part of the citywide program to eliminate wastewater overflows thereby benefiting all Oakland residents.

DISABILITY AND SENIOR CITIZEN ACCESS

There is no direct impact or benefit to seniors or people with disabilities.

RECOMMENDATION AND RATIONALE

It is recommended that City Council authorize the City Administrator to reject all bids and negotiate with the bidders, starting with the lowest bidder and if necessary with the second and third bidders, and execute a construction contract for the award of the Rehabilitation of Sanitary Sewers in the Easement off Nairobi Place (Project No. C67310) for an amount not to exceed Six Hundred Eighteen Thousand Nine Hundred Twenty Dollars (\$618,920.00) without return to Council. Re-bidding of this project is impracticable because it would delay the project and expose the eroded creek bank and damaged sewer pipe to another rainy season. The proposed improvement of this project must be constructed and completed between May 15th and October 30th of this year.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

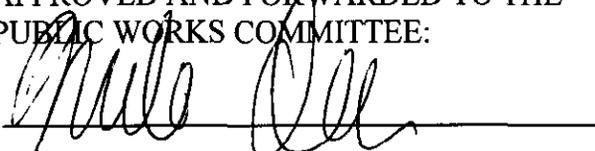


RAUL GODINEZ II, P.E.
Director, Public Works Agency

Reviewed by:
Michael Neary, P.E.
Assistant Director, Public Works Agency
Design & Construction Services Dept.

Prepared by:
Gus Amirzehni, P.E.
Acting Principal Civil Engineer
Engineering Design Division

APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:

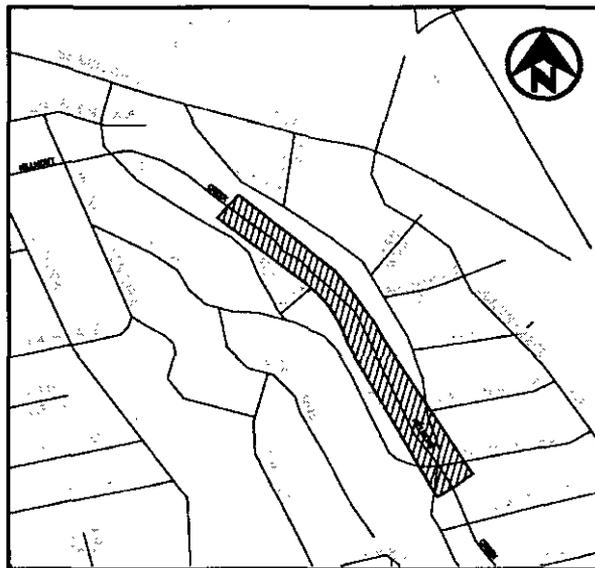


OFFICE OF THE CITY ADMINISTRATOR

Attachment A

THE REHABILITATION OF SANITARY SEWERS IN THE EASEMENT OFF NAIROBI PLACE

CITY PROJECT NO. C67310



LOCATION MAP

NOT TO SCALE

LIMIT OF WORK 

Attachment B

Rehabilitation of Sanitary Sewers in the Easement Off Nairobi Place

(Project No. C67310)

List of Bidders

Company	Status	Location	Bid Amount
KJ Woods Construction, Inc.		San Francisco	\$523,880.00
Andes Construction, Inc.	SLBE	Oakland	\$715,260.00
Pacific Trenchless, Inc.	SLBE	Oakland	\$724,902.00

Project Schedule

ID	Task Name	Start	Finish	2004			2005				2006							
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				
1	Project No. C67310	Thu 12/2/04	Fri 8/11/06															
2	Pre-Design	Thu 12/2/04	Tue 1/25/05															
3	Design	Wed 1/26/05	Fri 2/24/06															
4	Bid/Award	Mon 2/27/06	Tue 4/25/06															
5	Construction	Mon 5/15/06	Fri 8/11/06															

Attachment C



OFFICE OF THE CITY ADMINISTRATOR
Contract Compliance & Employment Services Division

Memo

To: Gwen McCormick - Contract Administrator Supervisor
From: Dasco Munoz - CC&ES Contract Compliance Officer
Through: Deborah Barnes - CC&ES Manager *Deborah Barnes*
CC: Project Manager
Date: March 13, 2006
Re: The Rehabilitation of Sanitary Sewers in an Easement off Nairobi Place, Project # C67310

Contract Compliance & Employment Services reviewed three (3) bids received in response to the above referenced project. Below is the outcome of our compliance evaluation for the twenty percent (20%) minimum participation requirement and a preliminary review for compliance with the Equal Benefits Ordinance (EBO).

Company Name	Bid Amount	Proposed Participation							Banked Credits Eligibility	EBO Compliant ? Y/N
		Total L/SLBE	LBE	SLBE	Trucking	Total Credited	Adjusted Bid Amount	Bid Discounts		
K.J. Woods Construction	\$523,880.00	21.76%	20.04%	1.72%	100%	0.00%	\$523,880	0%	0%	Y
Andes Construction,	\$715,260.00	97.20%	0.00%	97.20%	0%	97.20%	\$679,497	5%	2%	Y
Pacific Trenchless, Inc.	\$724,902.00	100.00%	0.00%	100.00%	100%	100.00%	\$724,902	5%	2%	Y

As noted above, K.J. Woods Construction did not achieve the minimum 20% L/SLBE requirement. Andes Construction and Pacific Trenchless exceeded the 20% L/SLBE minimum requirement. All contractors are in compliance with the Equal Benefit Ordinance (EBO). According to the Project Manager trucking in this contract is minimal.

Should you have any questions you may contact Dasco Munoz at 238-3970

RECEIVED
 CONTRACT ADMINISTRATION
 2006 MAR 14 PM 2:55

Contract Compliance and Employment Services Evaluation Form

Project No.: C67310

Project Name: The Rehabilitation of Sanitary Sewers in an Easement off
Nairobi Place

Contractor: K.J. Woods Construction

Contractor's Bid Amount: 523,880.00

Engineer's Estimate: 618,920.00

Over/Under the Engineers Estimate: -95,040.00

Bid Discounted Amount: \$0.00

Discount Points: 0%

Discounted Bid Price: \$523,880.00

1. Did the 20% requirements apply? **YES**

2. Did the contractor meet the 20% requirement? **NO**

a) % of LBE **20.04%**
b) % of SLBE **1.72%**

3. Did the contractor meet the Trucking requirement? **YES**

a) % of Local Trucking **100.00%**

4. Did the contractor received bid discount points? **NO**
(If yes, list the points received) **0%**

5. Additional Comments.

This contractor did not meet the 20% L/SLBE Program requirement. They failed to achieve the minimum 10% SLBE participation.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **3/10/2006**

Reviewing
Officer: *D. Muroz*

Date: 3/10/2006

Approved
By: *Deborah Baran*

Date: 3/14/06

LBE/SLBE Participation Bidder 1

Project Name: The Rehabilitation of Sanitary Sewers in an Easement off Nairobi Place

Project No.: C67310		Engineers Est: 618,920.00				Under/Over Engineers Estimate: -95,040.00				For Tracking Only		
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	S/LBE Trucking	Total Trucking	TOTAL Dollars			
										Ethn.	MBE	WBE
PRIME	K.J. Woods Construction	SF	UB						409,880.00	C		
Trucking	S&S Trucking	Oakland	CB		8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	H	\$8,000.00	
Saw Cut	Bayline Const.	Oakland	CB		1,000.00	1,000.00			1,000.00	H	\$1,000.00	
Excavation	Peak Engineering	Oakland	CB	105,000.00		105,000.00			105,000.00	AI	\$105,000.00	
Project Totals				105,000.00	9,000.00	114,000.00	8,000.00	8,000.00	523,880.00		\$114,000.00	
				20.04%	1.72%	21.76%	100%	100%				
Requirements: The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				LBE 10%	SLBE 10%	TRUCKING 20%	LBE/SLBE 20%		Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
Legend	LBE = Local Business Enterprise SLBE = Small Local Business Enterprise Total LBE/SLBE = All Certified Local and Small Local Businesses NPLBE = NonProfit Local Business Enterprise NPSLBE = NonProfit Small Local Business Enterprise			UB = Uncertified Business CB = Certified Business MBE = Minority Business Enterprise WBE = Women Business Enterprise								

Contract Compliance and Employment Services Evaluation Form

Project No.: C67310

Project Name: The Rehabilitation of Sanitary Sewers in an Easement off Nairobi Place

Contractor: Andes Construction, Inc.

<u>Contractor's Bid Amount:</u>	715,260.00		
<u>Engineer's Estimate:</u>	618,920.00		
<u>Over/Under the Engineers Estimate:</u>	-96,340.00		
<u>Bid Discounted Amount:</u>	\$35,763.00	<u>Discount Points:</u>	5%
<u>Discounted Bid Price:</u>	\$679,497.00		

1. Did the 20% requirements apply? **YES**

2. Did the contractor meet the 20% requirement? **YES**

a)	% of LBE	<u>0.00%</u>
b)	% of SLBE	<u>97.20%</u>

3. Did the contractor meet the Trucking requirement? **N/A**

a)	% of Local Trucking	<u>0.00%</u>
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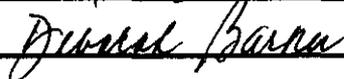
4. Did the contractor received bid discount points? **YES**
(If yes, list the points received) **5%**

5. Additional Comments.
Trucking is not significant according to the project manager.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **3/10/2006**

Reviewing Officer: 

Date: 3/10/2006

Approved By: 

Date: 3/15/06

LBE/SLBE Participation Bidder 2

Project Name: The Rehabilitation of Sanitary Sewers in an Easement off Nairobi Place

Project No.: C67310		Engineers Est: 618,920.00				Under/Over Engineers Estimate: -96,340.00							
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	S/LBE Trucking	Total Trucking	TOTAL Dollars	For Tracking Only			
										Ethn.	MBE	WBE	
Prime Excavation	Andes Construction, Inc.	Oakland	CB		695,260.00	695,260.00			695,260.00	H			
	JMV Construction	Oakland	UB						20,000.00	H	\$20,000.00		
Project Totals				0.00	695,260.00	695,260.00	0.00	0.00	715,260.00		\$20,000.00	\$0.00	
				0.0%	97.20%	97.20%	0.00%	0.00%					
Requirements: The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				LBE 10%	SLBE 10%	TRUCKING 20%	LBE/SLBE 20%		Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed				
Legend				LBE = Local Business Enterprise		SLBE = Small Local Business Enterprise		Total LBE/SLBE = All Certified Local and Small Local Businesses		NPLBE = NonProfit Local Business Enterprise		NPSLBE = NonProfit Small Local Business Enterprise	
				UB = Uncertified Business		CB = Certified Business		MBE = Minority Business Enterprise		WBE = Women Business Enterprise			

Contract Compliance and Employment Services Evaluation Form

Project No.: C67310

Project Name: The Rehabilitation of Sanitary Sewers in an Easement off
Nairobi Place

Contractor: Pacific Trenchless, Inc.

Contractor's Bid Amount: 724,902.00

Engineer's Estimate: 618,920.00

Over/Under the Engineers Estimate: -105,982.00

Bid Discounted Amount: \$36,245.10

Discount Points: 5%

Discounted Bid Price: \$688,656.90

1. Did the 20% requirements apply? **YES**

2. Did the contractor meet the 20% requirement? **YES**

a) % of LBE **0.00%**
b) % of SLBE **100.00%**

3. Did the contractor meet the Trucking requirement? **YES**

a) % of Local Trucking **100.00%**

4. Did the contractor received bid discount points? **YES**
(If yes, list the points received) **5%**

5. *Additional Comments.*

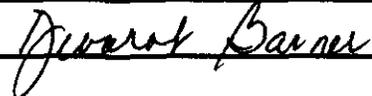
6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **3/10/2006**

**Reviewing
Officer:**



Date: 3/10/2006

Approved By:



Date: 3/14/06

LBE/SLBE Participation Bidder 3

Project Name: The Rehabilitation of Sanitary Sewers in an Easement off Nairobi Place

Project No.: C67310		Engineers Est: 618,920.00				Under/Over Engineers Estimate: -105,982.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	S/LBE Trucking	Total Trucking	TOTAL Dollars	For Tracking Only		
										Ethn.	MBE	WBE
Prime	Pacific Trenchless, Inc.	Oakland	CB		719,502.00	719,502.00			719,502.00	C		
Trucking	Williams Trucking	Oakland	CB		400.00	400.00	400.00	400.00	400.00	AA	\$400.00	
Excavation & Backfill	AJW	Oakland	CB		5,000.00	5,000.00			5,000.00	H	\$5,000.00	
Project Totals				0.00	724,902.00	724,902.00	400.00	400.00	724,902.00		\$5,400.00	\$0.00
				0.0%	100.00%	100.00%	100.00%	100.00%				
Requirements: The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				LBE 10%	SLBE 10%	TRUCKING 20%	LBE/SLBE 20%			Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed		
Legend				LBE = Local Business Enterprise				UB = Uncertified Business				
				SLBE = Small Local Business Enterprise				CB = Certified Business				
				Total LBE/SLBE = All Certified Local and Small Local Businesses				MBE = Minority Business Enterprise				
				NPLBE = NonProfit Local Business Enterprise				WBE = Women Business Enterprise				
				NPSLBE = NonProfit Small Local Business Enterprise								

Approved as to Form and Legality
OFFICE OF THE CITY CLERK
Oakland City Attorney's Office
2006 APR 10 AM 8:32

OAKLAND CITY COUNCIL
RESOLUTION No. _____ C. M. S.

INTRODUCED BY COUNCILMEMBER _____

Requires two-thirds vote of the Council

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO REJECT ALL BIDS AND NEGOTIATE WITH THE BIDDERS (STARTING WITH THE LOWEST BIDDER, AND IF NECESSARY, WITH THE SECOND AND THIRD BIDDERS) AND EXECUTE A CONSTRUCTION CONTRACT FOR THE REHABILITATION OF SANITARY SEWERS IN THE EASEMENT OFF NAIROBI PLACE (PROJECT NO. C67310) FOR AN AMOUNT NOT TO EXCEED SIX HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY DOLLARS (\$618,920.00) WITHOUT RETURN TO COUNCIL

WHEREAS, on February 27, 2006, three bids were received by the Office of the City Clerk of the City of Oakland for the Rehabilitation of Sanitary Sewers in the Easement off Nairobi Place (Project No. C67310); and

WHEREAS, the lowest bidder for the project did not meet the City's SLBE requirement; and

WHEREAS, the second lowest bidder met the City's SLBE and LBE requirements, but was 36% above the lowest bidder's amount; and

WHEREAS, the project is necessary to rehabilitate and protect the existing sanitary sewer; and

WHEREAS, the construction schedule for this project is limited to a period from May 15 to October 30 by a Fish and Game permit requirement; and

WHEREAS, re-bidding of this project is impracticable because it would delay the project for one year and risk further erosion of the creek bank and damage to the exposed sewer pipe; and

WHEREAS, there are sufficient funds in the project budget for an amount not to exceed Six Hundred Eighteen Thousand Nine Hundred Twenty Dollars (\$618,920.00) for the work. Funding for this project is available in the Sewer Service Fund (3100), Capital Project-Sanitary Sewer Design Organization (92244), Sewers Account (57417), and Rehabilitation of Sanitary Sewers in the Easement off Nairobi Place (Project No. C67310) and these funds were specifically allocated for this project, and

WHEREAS, the City lacks the equipment and qualified personnel to perform the necessary work; and

WHEREAS, the City Council finds and determines that the performance of this contract is in the public interest because of economy or better performance; and

WHEREAS, the City Council finds and determines that the performance of this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive services; now, therefore, be it

RESOLVED: That all bids received for the Rehabilitation of Sanitary Sewers in the Easement off Nairobi Place (Project No. C67310) are hereby rejected; and be it

FURTHER RESOLVED: That the plans and specifications prepared by the Director of Public Works for this project are hereby approved; and be it

FURTHER RESOLVED: That the amount of the bond for faithful performance will be 100% of the negotiated price, and the amount for a bond to guarantee payment of all claims for labor and materials furnished and for the amount due under the Unemployment Insurance Act, will be 100% of the negotiated price, with respect to such work are hereby approved; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to negotiate with the lowest bidder, and if necessary, with the second and third bidders to enter into a contract with the contractor on behalf of the City of Oakland and to execute any amendments or modifications to said agreement within the limitations of the project specifications; and be it

FURTHER RESOLVED: That the City Clerk is hereby directed to post conspicuously forthwith notice of the above rejection of all bids on the official bulletin board in the Office of the City Clerk; and be it

FURTHER RESOLVED: That the contract shall be reviewed and approved by the City Attorney and placed on file in the Office of the City Clerk; and be it

FURTHER RESOLVED: That the approval of this resolution requires a two-thirds vote of the Council members.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California