

**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2003 OCT -2 PM 1:48

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: October 14, 2003

RE: **RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC., FOR THE REHABILITATION OF SANITARY SEWERS IN MARKET ST., 45TH ST., AND WEST ST. (PART OF SUBBASIN 50-03) (PROJECT NO. C65120) FOR THE AMOUNT OF ONE MILLION TWO HUNDRED FIFTY THOUSAND TWO HUNDRED TWENTY-FIVE DOLLARS (\$1,250,225)**

SUMMARY

A resolution has been prepared authorizing the City Manager to award a construction contract in the amount of \$1,250,225 to Andes Construction, Inc., (Oakland) for the Rehabilitation of **Sanitary** Sewers in Market St., 45th St., and West St. (*Part of Subbasin 50-03*) (Project No. C65120).

FISCAL IMPACTS

There are sufficient funds in the project budget for the work. Funding for this project is available in the Sewer Service Fund (3100); Organization (92244); Account (57417); Project (C65120). The engineer's estimate for the work is \$1,322,250.

BACKGROUND

On August 11, 2003, the City Clerk received two bids for this project in the amounts of \$1,250,225 and \$1,589,050 as shown in the table below. The lowest responsible bidder, Andes Construction, Inc., (**Oakland**), with a bid amount of \$1,250,225, is recommended for award. Staff has reviewed the bid and believes that the unit costs are reasonable for the work anticipated.

List of Bidders

Company	status	Location	Bid Amount
Andes Construction, Inc.	SLBE	Oakland, CA	\$1,250,225
Insituform Technologies, Inc.		Chesterfield, MO	\$ 1,589,050

Item #: 4
Public Works Committee
10/14/03

This project meets the Mayor/City Council and Citywide Objectives to Maintain and Enhance Oakland's Physical Assets.

Under the proposed contract with Andes Construction, Inc., the SLBE participation is \$1,075,225 (86%). The percentage exceeds the City's 50% SLBE. Also, 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. The LBE/SLBE information has been verified by the Contract Compliance Division of the City Manager's Office and is shown in *Attachment B*.

KEY ISSUES AND IMPACTS

Construction under this contract is scheduled to begin in October 2003 and be completed by June 2004. The contract specifies \$1,000 in liquidated damages per calendar day if the contract completion time of 90 working days is exceeded. The project schedule is shown in *Attachment A*.

Staff has reviewed the submitted bid for this work and determined that the low bid is reasonable.

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. The contractor will be required to make every effort to reuse clean fill materials and use recyclable concrete and asphalt products.

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 the construction contract be awarded to Andes Construction, Inc., the lowest responsible bidder, in the amount of \$1,250,225 for the Rehabilitation of Sanitary Sewers in Market St., 45th St., and West St. (Part of Subbasin 50-03) (Project No. C65120). Andes Construction, Inc., has met the local business requirements, and there are sufficient funds in the project account.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,



CLAUDETTE R. FORD
Director, Public Works Agency

Reviewed by:
Raul Godinez II, P.E.
Assistant Director, Public Works Agency
Design & Construction Services

Prepared by:
Fuad Sweiss, Supervising Civil Engineer
Engineering Design Division

APPROVED AND FORWARDED
TO THE PUBLIC WORKS COMMITTEE



OFFICE OF THE CITY MANAGER

**THE REHABILITATION OF SANITARY SEWERS IN
MARKET ST., 45TH ST., AND WEST ST.
(PART OF SUBBASIN 50-03)
(Project No. C65120)**

Project Schedule

ID	Task Name	Start	Finish	0	2001		2002		2003		2004		2005		2006	
				H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2		
1	C65120-SS Rehab of Market St.	Tue 4/2/02	Fri 6/25/04													
2	Pre-Design	Tue 4/2/02	Sun 4/14/02													
3	Design	Mon 4/15/02	Fri 2/21/03													
4	Bid/Award	Mon 2/24/03	Tue 9/30/03													
5	Contract Execution	Wed 10/1/03	Fri 10/24/03													
6	Construction	Mon 10/27/03	Fri 6/25/04													

APPENDIX B

**Contract Compliance and
Employment Services Division
Office of the City Manager**

Memorandum

Date: August 28, 2003
From: Deborah Barnes, CC&ES Manager
To: Gwen McCormic , PWA Contract Administration Supervisor
Regarding: Compliance Evaluation for Rehab of Sanitary Sewers in Market St 45th St and West St. (C65120)

Contract Compliance & Employment Services reviewed two bids for the above referenced project. Of the total received, one contractor is in compliance with the L/SLBE goal and listed below:

Company Name	LBE	SLBE	Total	Trucking
Andes Construction, Inc.	0%	86%	86%	0%

The following contractor did not meet the L/SLBE goal.

Insituform Technologies, Inc.	0%	13.03%	13.03%	100%
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CC: Attachments

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CONTRACT COMPLIANCE AND EMPLOYMENT SERVICES DIVISION
OFFICE OF THE CITY MANAGER



Contract Compliance Evaluation Form

Project No.: C65120

Project Name: Rehabilitation of Sanitary Sewers in Market St 45th St, and West St.

Bid Opening Date: 8/18/2003

Engineer Estimate: \$1,322,250

Contractor: Andes Construction

Contractor's bid amount: \$1,250,225

5% credit for LBE/SLBE Preference: <input checked="" type="checkbox"/>	5% of the TOTAL BID Amount: = \$62,511
5% credit for Joint Venture Preference: <input type="checkbox"/>	Calculation Amount: X 5% =
5% credit for Mentor Protégé Preference: <input type="checkbox"/>	If yes, 5% is added to the overall Total LBE percentage goal.
ADJUSTED LBE % TOTAL:	ADJUSTED BID TOTAL: \$1,187,714

1. Did the Contractor meet the LBE/SLBE goals?
 - a) % of LBE participation 0.00%
 - b) % of SLBE participation 86.00%

2. Did the Contractor meet the Trucking goal? NA
 - a) % of local trucking participation

3. If the goals were not met, did the contractor meet the Good Faith Effort (GFE) requirements? NA
(If no, explain reasons for failure to meet GFE.)

4. Date evaluation completed and forwarded to Contract Admin./Initiating Dept. 8/28/2003

5. Is the contractor in compliance with all LBE/SLBE requirements? (If no, explain below)

Reviewing Officer: _____

Date: 8/28/2003

Approved By: _____

Date: 8/28/03

LBE/SLBE PARTICIPATION

Lowest Bidder

Project Name: Rehabilitation of Sanitary Sewers in Market St, 45th St, and West St.

Engineer Estimate: \$1,322,250

Bid Amount: \$1,250,225

Difference: <\$72,025>

Project No.: C65120

TRADE	Line #	Prime and Subs	LOCATION	Cert. Status	LBE	SLBE	TOTAL LBE/SLBE	Local Trucking	Trucking	TOTAL BID \$ Amount	ETH.	MIBE	WBE				
Prime	1	Andes Construction	Oakland	CB		\$1,075,225	\$1,075,225			\$1,075,225.00	H	\$1,075,225					
Liner Installation	2	Masterliner	Hammond.	UB						\$175,000.00							
Project Subtotals:																	
											\$1,250,225		\$1,075,225		\$1,075,225		
											100%		86.00%		86.00%		0%

5% credit for LBE/SLBE Preference: Yes No
 Calculation Amount: \$62,511
 5% credit for Joint Venture Preference: Yes No
 5% credit for Mentor Protégé Preference: Yes No
 If yes, 5% is added to the overall Total LBE percentage goal.

5% of the TOTAL BID Amount: = \$62,511
 X 5% =

ADJUSTED LBE % TOTAL: ADJUSTED BID TOTAL: \$1,187,714

LEGEND:
 ALL LBE
 LBE
 SLBE
 LTRU

GOALS:
 The 50% ALL LBE goal is a combination of 15% LBE and 35% SLBE participation. An SLBE firm can be counted 100% towards achieving 50% goal. LBE firms can only be counted up to 15% of the total contract amount. The Local Trucking goal is 50% of the ALL trucking contract amount.

ADJUSTED LBE % TOTAL:
 All certified Local and Small Local Businesses
 Local Business Enterprise
 Small Local Business Enterprise
 Local Trucking Businesses

ADJUSTED LBE % TOTAL:
 Certified Business
 Uncertified Business
 African American
 Hispanic American
 Asian American

ADJUSTED LBE % TOTAL:
 Native American
 Caucasian
 Minority Business Enterprise
 Woman Business Enterprise

CONTRACT COMPLIANCE AND EMPLOYMENT SERVICES DIVISION
OFFICE OF THE CITY MANAGER



Contract Compliance Evaluation Form

Project No.: C65120

Project Name: Rehabilitation of Sanitary Sewers in Market St 45th St, and West St.

Bid Opening Date: 8/18/2003

Engineer Estimate: \$1,322,250

Contractor: Insituform Technologies, Inc.

Contractor's bid amount: \$1,589,050

5% credit for LBE/SLBE Preference: <input type="checkbox"/> No	5% of the TOTAL BID Amount: =
5% credit for Joint Venture Preference: <input type="checkbox"/> No	Calculation Amount: X 5% =
5% credit for Mentor Protégé Preference: <input type="checkbox"/> No	If yes, 5% is added to the overall Total LBE percentage goal.
ADJUSTED LBE % TOTAL:	ADJUSTED BID TOTAL: \$1,589,050

1. Did the Contractor meet the LBE/SLBE goals? No

a) % of LBE participation 0.00%

b) % of SLBE participation 13.03%

2. Did the Contractor meet the Trucking goal? Yes

a) % of local trucking participation 100%

3. If the goals were not met, did the contractor meet the Good Faith Effort (GFE) requirements? No

(If no, explain reasons for failure to meet GFE.)

This contractor did not submit a GFE.

4. Date evaluation completed and forwarded to Contract Admin./Initiating Dept. 8/28/2003

5. Is the contractor in compliance with all LBE/SLBE requirements? No (If no, explain below)

This contractor did not submit a GFE.

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Reviewing Officer:

[Signature]

Date: 8/28/2003

Approved By:

[Signature]

Date: 8/28/03

LBE/SLBE PARTICIPATION

2nd Bidder

Project Name: Rehabilitation of Sanitary Sewers in Market St 45th St, and West St.
 Engineer Estimate: \$1,322,250
 Bid Amount: \$1,589,050
 Difference: \$266,800

Project No.: C65120

TRADE	Line #	Prime and Subs	LOCATION	Cert. Status	LBE	SLBE	TOTAL LBE/SLBE	Local Trucking	Trucking	TOTAL BID \$ Amount	ETH	MBE	WBE				
Prime	1	Insituform Technologies,	Chesterfield,	UB						\$1,146,165							
Point repairs, trench	2	Mosto Construction	Oakland	CB		\$205,480	\$205,480			\$205,480	H	\$205,480					
Manhole rehab type3	3	Gelco Sucs, Inc	Salem, Or	UB						\$83,100							
Bypass Pumping	4	dba Rain for Rent	Bakersfield	UB						\$98,730							
Prelining clean& TV	5	PSC Indust. Inc.	Benecia	UB						\$54,075							
Trucking	6	Williams Trucking	Oakland	CB		\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	AA	\$1,500					
Project Subtotals:											\$1,589,050		\$206,980	13%	\$206,980	13%	0%

5% credit for LBE/SLBE Preference: No 5% of the TOTAL BID Amount: =
 5% credit for Joint Venture Preference: No Calculation Amount: X 5% =
 5% credit for Mentor Protégé Preference: No If yes, 5% is added to the overall Total LBE percentage goal.

ADJUSTED LBE % TOTAL: ADJUSTED BID TOTAL: \$1,589,050

LEGEND:
 ALL LBE All certified Local and Small Local Businesses CB Certified Business MA Native American
 LBE Local Business Enterprise UB Uncertified Business C Caucasian
 SLBE Small Local Business Enterprise AA African American MBE Minority Business Enterprise
 LTRU Local Trucking Businesses H Hispanic American WBE Woman Business Enterprise
 A Asian American

GOALS:
 The 50% ALL LBE goal is a combination of 15% LBE and 35% SLBE participation. An SLBE firm can be counted 100% towards achieving 50% goal. LBE firms can only be counted up to 15% of the total contract amount. The Local Trucking goal is 50% of the ALL trucking contract amount.

FILED
OFFICE OF THE CITY CLERK
OAKLAND

OAKLAND CITY COUNCIL

RESOLUTION No. _____

C. M. S.

INTRODUCED BY COUNCIL MEMBER _____
2003 OCT 2 PM 1:18

Requires two-thirds vote of the Council



RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC., FOR THE REHABILITATION OF SANITARY SEWERS IN MARKET ST., 45TH ST., AND WEST ST. (PART OF SUBBASIN 50-03) (PROJECT NO. C65120) FOR THE AMOUNT OF ONE MILLION TWO HUNDRED FIFTY THOUSAND TWO HUNDRED TWENTY-FIVE DOLLARS (\$1,250,225)

WHEREAS, on August 18, 2003, bids were received by the Office of the City Clerk of the City of Oakland for the Rehabilitation of Sanitary Sewers in Market St., 45th St., and West St. (Part of Subbasin 50-03) Project No. C65120; and

WHEREAS, Andes Construction, Inc., is the lowest responsible bidder for the project and has met the SLBE requirements; and

WHEREAS, there are sufficient funds in the project budget for work, and the project budget includes \$1,250,225 for the construction work, and the engineer's estimate for the work is \$1,322,250; 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 the contract for the Rehabilitation of Sanitary Sewers in Market St., 45th St., and West St. (Part of Subbasin 50-03) is hereby awarded to Andes Construction, Inc., in accordance with the terms of its bid therefore, dated August 18, 2003, for the amount of one million two hundred fifty thousand two hundred twenty-five dollars (\$1,250,225); 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, \$625,112.50, 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, \$1,250,225, with respect to such work are hereby approved; and be it

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FURTHER RESOLVED: That the City Manager is hereby authorized to enter into a contract with Andes Construction, Inc., on behalf of the City of Oakland and to execute any amendments or modifications of said contract within the limitations of the project specifications; and be it

FURTHER RESOLVED: That all other bids are hereby rejected; 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, _____, 2003

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

CEDA FLOYD
City Clerk and Clerk of the Council
of the City of Oakland, California

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