

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2004 JAN 15 PM 4:23

CITY OF OAKLAND
AGENDA REPORT

TO: Office of the City Manager
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: January 27, 2004

RE: RESOLUTION AUTHORIZING THE CITY MANAGER TO REJECT ALL BIDS FOR THE TEMESCAL POOL RENOVATION PROJECT, TO INFORMALLY RE-BID THE PROJECT, TO NEGOTIATE A CONTRACT, IF NECESSARY, AND TO AWARD A CONSTRUCTION CONTRACT WITHOUT RETURN TO CITY COUNCIL FOR AN AMOUNT NOT TO EXCEED SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000)

SUMMARY

A resolution has been prepared authorizing the City Manager or her designee, to reject all bids for the Temescal Pool Renovation Project, The resolution also requests approval to re-bid the project, to negotiate a contract if the bids are non-responsive or exceed the construction budget, and to award a construction contract without return to City Council for an amount not to exceed \$750,000.

On November 3, 2003, two bids were received by the City Clerk for the Temescal Pool Renovation project. Both firms did not meet the City's Local/Small Local Business Program requirements nor did they document a good faith effort, and both bids were substantially over the engineer's estimate for the project.

Temescal Pool is a heavily used recreational facility in the summer months. To ensure that the project will be completed in time for use for summer programs, it is currently being re-bid. The new Local/Small Local Business Enterprise Program requirement of 20% will provide more opportunities to achieve the Local/Small Business Enterprise requirement. The new bids are scheduled to be received on January 26, 2004. The bid results will be presented when the report is considered by City Council in February 2004. reported at the City Council meeting in February 2004.

This project fulfills the Mayoral and City Council goal of Maintaining and Enhancing Oakland's Physical Assets. The project is located in Council District 1.

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FISCAL IMPACT

The construction budget for the project is \$800,000, which includes a five percent (5%) contingency. The project is funded from the Measure K, Series D and Measure K Series D Interest. Funds are available under Fund 5014, Project No. C196110 and C196120, Organization 94500, Account 78811.

In accordance with City policy, three percent (3%) of the construction contract amount will be set aside within Measure K, Series D Org. 92290, Account 56918, Project C196110, Fund 5014 for Contract Compliance fees. An additional 1.5 percent (1.5%) of the contract amount will be set aside in Project C196120, Account 56915 for the Public Art assessment cost.

BACKGROUND

On November 3, 2003, two bids were received by the City Clerk for the Temescal Pool Renovation project. Sierra Bay Contractors (Concord) and Bay Construction (Oakland) submitted bids of \$791,000 and \$844,858, respectively. Both firms did not meet the City's Local/Small Local Business Program requirements nor did they document a good faith effort. In addition, Sierra Bay Contractors' bid is 18% over the engineer's estimate of \$670,000 and Bay Construction's bid is 27% over the engineer's estimate. Therefore, the bids from Sierra Bay Contractors and Bay Construction should be rejected.

The project scope of work consists of the replacement of the filtration system in the pump room, replacing the existing water piping from the pump room to the pool, pool lights, striping, and pool ladders, installation of a new shell lining, modifications to the men's and women's locker rooms, and other related work.

Over 50% of the work scope above is very specialized and needs to be performed by a licensed pool subcontractor. According to the Contract Compliance Division, there are currently no local, certified/licensed pool contractors. As a result, the bidders did not meet the 50% goal of the City's Local/Small Local Business Enterprise Program. However, with the new City's Local/Small Local Business Enterprise Program 20% requirement, staff anticipates that some contractors will be able to achieve the new requirement.

In order to complete the project within the project budget, staff and the design consultant have reduced the construction cost by revising the scope of work, and using alternate building materials. These reductions and modifications will allow the project to be completed within budget yet will not significantly affect the design integrity, quality, or scope of the original project.

KEY ISSUES AND IMPACTS

Staff requests authorization to reject all bids, informally re-bid the project, negotiate a contract, if necessary, and award a construction contract without return to City Council for an amount not to exceed \$750,000. This request is being made in an effort to meet the project schedule so that the pool renovation is completed prior to the summer of 2004. Temescal Pool is a heavily used recreational facility in the summer months.

1. The City's Municipal Code, Title 2, Chapter 2.04.050 I (5) allows an exception to the competitive bidding process when it has been determined that it is not in the best interest of the City to formally bid the work. Staff recommends informally bidding the project because the formal bid and award process takes three to four months and would not allow enough time to complete the pool renovations prior to the summer of 2004.

With the approval of this resolution, construction is scheduled to begin no later than March 2004. The anticipated construction duration is four months (120 calendar days) for this project. The work will be completed in June 2004. The contract specifies \$1,500 in liquidated damages per calendar day if the contract completion date is exceeded.

SUSTAINABLE OPPORTUNITIES

Economic: This contract will generate jobs in the local economy. The contractor is required to have 50% of the work hours performed by Oakland residents and 50% of new hires to be Oakland residents.

Environmental: The contractor will take into consideration green building technologies and, to the extent feasible, utilize recycled materials in the products specified and explore other environmental opportunities such as waste reduction and energy conservation.

Social: The Temescal Pool project improvements will provide a renovated pool for the public and the neighboring community to use for recreational activities.

DISABILITY AND SENIOR CITIZEN ACCESS

The Temescal Pool Renovation project will be in compliance with the physical access requirements of the Americans with Disabilities Act ("ADA"), and will provide equal opportunity and access to the facility.

RECOMMENDATION AND RATIONALE

Staff recommends that Council approve the resolution authorizing the City Manager to reject all bids, informally re-bid the project, negotiate a contract, if necessary, and award a construction contract without return to City Council for the Temescal Pool Renovation project for an amount not to exceed \$750,000.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

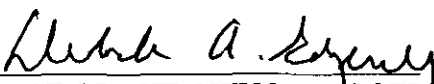


CLAUDETTE R. FORD
Director, Public Works Agency

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

Prepared by:
Sandra Washington
Project Manager, Project Delivery Division

APPROVED AND FORWARDED
TO THE PUBLIC WORKS COMMITTEE


OFFICE OF THE CITY MANAGER

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S. OFFICE OF THE CITY CLERK

INTRODUCED BY COUNCILMEMBER _____

Requires the two-thirds vote of the Council

2004 JAN 15 PM 4: 23

RESOLUTION AUTHORIZING THE CITY MANAGER TO REJECT ALL BIDS FOR THE TEMESCAL POOL RENOVATION PROJECT, TO INFORMALLY RE-BID THE PROJECT, TO NEGOTIATE A CONTRACT, IF NECESSARY, AND TO AWARD A CONSTRUCTION CONTRACT WITHOUT RETURN TO CITY COUNCIL FOR AN AMOUNT NOT TO EXCEED SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000)

WHEREAS, the Temescal Pool Renovation project scope of work consists of the replacement of the pool filtration system and water piping, installation of a new shell lining, and other related work; and

WHEREAS, the Temescal Pool is a heavily used recreational facility in the summer months and it is highly desirable to complete the renovation work to make the pool available for the summer 2004 season; and

WHEREAS, on November 3, 2003, two bids were received by the Office of the City Clerk for the Temescal Pool Renovation project and these bids from Sierra Bay Contractors and Bay Construction were deemed non-responsive because both firms did not meet the City's Local/Small Local Business Enterprise program requirements nor did they document a good faith effort; and

WHEREAS, the bids from Sierra Bay Contractors and Bay Construction were both substantially over the engineer's estimate and thus should be rejected; and

WHEREAS, formally re-bidding and awarding the project will take three to four months and not allow for the project to be completed for the summer 2004 season; and

WHEREAS, the Oakland Municipal Code, Title 2, Section 2.04.050.I (5) allows an exception to the competitive bidding process when it is determined that it is not in the best interest of the City to formally bid the work; and

WHEREAS, informally re-bidding the project and negotiating a contract, if necessary, will accelerate the project schedule to allow for the completion of the renovation work for the summer 2004 season; 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; and

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WHEREAS, the City Council finds that services under this contract will be temporary; 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 service; now, therefore, be it

RESOLVED: That the City Manager, or her designee, is hereby authorized to reject all previous bids; and be it

FURTHER RESOLVED: That the City Council finds it is in the best interests of the City to waive the formal bidding requirements; and be it

FURTHER RESOLVED: That the City Manager, or her designee, is hereby authorized to informally re-bid the project and negotiate a contract, if necessary, and to award a construction contract without return to City Council for an amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000); and be it

FURTHER RESOLVED: That the City Manager, or her designee, is hereby authorized to execute any amendments or modifications of said contract within the limitations of the project specifications; and be it

FURTHER RESOLVED: That the amount of the bond for faithful performance will be equal to 100% of the contract amount, and the amount for a bond to guarantee payment of all claims for labor and material furnished and for the amount due under the Unemployment Insurance Act will also be equal to 100% of the contract amount, with respect to such work are hereby approved; 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 City Clerk is hereby directed to post conspicuously forthwith notice of the above award on the official bulletin board 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, _____, 2004

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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