

CITY OF OAKLAND
AGENDA REPORT

2010 JUL -8 PM 2: 50

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Public Works Agency
DATE: July 13, 2010

RE: **Supplemental Report And Revised Resolution Authorizing The City Administrator To Award The Contract For Construction Of Various Streets And Roads, Rehabilitation Phase II (Project No. C396810), To Bay Cities Paving & Grading, Inc. In The Amount of \$1,476,068.21**

SUMMARY

This is a supplemental report related to award of a construction contract to the lowest responsible and responsive bidder, for Various Streets and Roads Rehabilitation Phase II (Project C396810).

The original report and resolution was prepared prior to the bid opening. This supplemental report reflects the bid opening results and replaces the previous resolution. The new resolution authorizes the City Administrator to award a construction contract in the amount of \$1,476,068.21 to Bay Cities Paving & Grading, Inc., for Various Streets and Roads Rehabilitation Phase II (Project C396810). The work to be completed under this project is part of the City's street resurfacing program. The work is located throughout the City and the streets that will be resurfaced as part of this project are listed in *Attachment A*.

FISCAL IMPACT

There are sufficient funds in the project budget for the work.

Funding for this street resurfacing project is from the ARRA grant and was approved and appropriated by City Council on June 16, 2009. Funding for this work is available in the following project accounts:

- Metropolitan Transportation Commission (MTC-ARRA) Fund (2606); Streets and Structures Organization (92242); Street Construction Account (57411); Project No. C396810
- Local Match Fund State Traffic Congestion Relief-Proposition 42 Fund (2141); Streets and Structures Organization (92242); Street Construction Account (57411); Project No. C369710.

Item: _____
Public Works Committee
July 13, 2010

BACKGROUND

On June 24, 2010, the City Clerk received two bids for the project. The bids were \$1,287,713.00 from Gallagher and Burk, Inc. and \$1,476,068.21 from Bay Cities Paving & Grading, Inc. A summary of the bids is shown on *Attachment B*.

Gallagher and Burk, Inc. failed to meet the minimum 4.05% RC UDBE goal participation and the Good Faith Effort submitted is not sufficient. The UDBE goal applies because the project is funded by ARRA federal funds. Therefore, they are deemed non-responsive. The lowest responsible and responsive bidder is Bay Cities Paving & Grading, Inc. The UDBE information has been verified by the Social Equity Division of the Department of Contracting and Purchasing and is shown in *Attachment C*.

KEY ISSUES AND IMPACTS

This federal grant has an award deadline of July 30, 2010. The UDBE goal applies because the project is funded by ARRA federal funds. The LBE/SLBE goals does not apply.

EVALUATION OF PAST PERFORMANCE

The Contractor Performance Evaluation (Schedule L-2) for Bay Cities Paving & Grading, Inc. is not available for past projects because there has been no work in the past.


RECOMMENDATION AND RATIONALE

Staff recommends the construction contract be awarded to Bay Cities Paving & Grading, Inc., in an amount of \$1,476,068.21 for Various Streets and Roads Rehabilitation Phase II (Project No. C396810).

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

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

Reviewed by:
Michael Neary, P.E., Assistant Director
PWA, Department of Engineering and Construction

Prepared by:
Allen Law, P.E., Supervising Civil Engineer
Engineering Design and Right of Way Management Division

APPROVED AND FORWARDED TO
THE PUBLIC WORKS COMMITTEE:


Office of the City Administrator

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Public Works Committee
July 13, 2010

Attachment A

***Various Streets & Roads Rehabilitation Phase II
(Project No. C396810)***

Project Location List

Street Name	Begin Location	End Location	Length in Miles
Adeline St.	19 th St.	West Grand Ave.	0.2
Pleasant Valley Ave.	Broadway	City Limit	1.0
Santa Clara Ave.	Grand Ave.	Santa Clara Ave.	1.2
Stanford Ave. (NB)	San Pablo Ave.	Market St.	0.7
West MacArthur Blvd.	Martin Luther King Jr. Way	580 Freeway	0.6
TOTAL			3.7 Miles

Attachment B

*Various Streets & Roads Rehabilitation Phase II
(Project No. C396810)*

List of Bidders

Company	Bid Amount
Gallagher & Burk, Inc.	\$1,287,713.00
Bay Cities Paving & Grading	\$1,476,068.21

Attachment C

Various Streets & Roads Rehabilitation Phase II
(Project No. C396810)

Department of Contracting and Purchasing
Compliance Evaluation



Memo

Department of Contracting and Purchasing

Social Equity Division

To: Jimmy Mach - Project Manager
From: Sophany Hang - Acting Contract Compliance Officer
Through: Shelley Darenburg - Sr. Contract Compliance Officer *S. Darenburg*
CC: Deborah Barnes - DC & P Director
 Gwen McCormick - Contract Administrator Supervisor
Date: July 6, 2010
Re: C396810 – Various Streets and Roads Rehabilitation Phase II

The Department of Contracting and Purchasing (DC&P), Division of Social Equity, reviewed two (2) bids in response to the above referenced project. Below is the outcome of the compliance evaluation for the Race Conscious Underutilized Disadvantaged Business Enterprise (UDBE) program and a preliminary review for compliance with the Equal Benefits Ordinance (EBO). There is a race conscious UDBE goal of 4.05% for this project.

Responsive		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	RC UDBE Total	LBE	SLBE	Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount		
Bay Cities Paving & Grading Inc.	\$1,476,068.21	8.1%	NA	NA	100%	NA	NA	NA	NA	Y

Comments: As noted above, Bay Cities Paving & Grading Inc. met the minimum 4.05% RC UDBE participation goals. The firm is EBO compliant.

Non-Responsive		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	RC UDBE Total	LBE	SLBE	Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount		
Gallagher & Burk, Inc.	\$1,287,713.00	3.1%	NA	NA	100%	NA	NA	NA	NA	Y

Comments: As noted above, Gallagher & Burk, Inc. failed to meet the minimum 4.05% RC UDBE goal participation and the Good Faith Effort submitted is not sufficient. Therefore, they are deemed non-responsive.

For Informational Purposes

Listed below is the lowest responsible bidder's compliance with the 50% Local Employment Program (LEP) and the 15% Oakland Apprenticeship Program for the lowest bidder's most recently completed City of Oakland project.

Contractor Name: NA
 Project Name: NA
 Project No. NA

50% Local Employment Program (LEP)

Was the 50% LEP Goal achieved?	NA	If no, shortfall hours?	N/A
Were all shortfalls satisfied?	NA	If no, penalty amount	N/A

15% Oakland Apprenticeship Program

Was the 15% Apprenticeship Goal achieved?	NA	If no, shortfall hours?	N/A
Were shortfalls satisfied?	N/A	If no, penalty amount	N/A

The spreadsheet below provides details of the 50% LEP and 15% Apprenticeship Programs. Information provided includes the following data: A) total project hours, B) core workforce hours deducted, C) LEP project employment and work hour goal; D) LEP employment and work hours achieved; E)# resident new hires; F) shortfall hours; G) percent LEP compliance; H) total apprentice hours; I) apprenticeship goal and hours achieved; and J) Apprentice shortfall hours.

Total Project Hours	50% Local Employment Program (LEP)							15% Apprenticeship Program				
	Core Workforce Hours Deducted	LEP Project Employment and Work Hours Goal		LEP Employment and Work Hours Achieved		# Resident New Hires	Shortfall Hours	% LEP Compliance	Total Apprenticeship Hours	Apprenticeship Goal and Hours		Apprentice Shortfall Hours
		Goal	Hours	Goal	Hours					Goal	Hours	
A	B	C		D		E	F	G	H	I		J
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Comments: Local Employment Program (LEP) or Apprenticeship Program is not applicable. This is UDBE project.

Should you have any questions, you may contact Sophany Hang at (510) 238-3723.



DEPARTMENT OF CONTRACTING AND PURCHASING

Social Equity Division

PROJECT COMPLIANCE EVALUATION FOR :

Construction Services Under-Utilized Disadvantaged Business Enterprise (UDBE)

PROJECT NO.: C396810

PROJECT NAME: Various Streets and Roads Rehabilitation Phase II

CONTRACTOR: Bay Cities Paving & Grading Inc.

Engineer's Estimate:	Contractors' Bid Amount	Over/Under Engineer's Estimate
\$1,265,080.00	\$1,476,068.21	-\$210,988.21

Discounted Bid Amount:	Amt. of Bid Discount	Discount Points:
N/A	N/A	N/A

- 1. Did the RC UDBE Program apply? **YES**
 - a) Race Conscious? **YES**
 - b) Race Neutral **NA**
- 2. Did the contractor meet the RC UDBE goal of 4.05% **YES**
 - a) % of RC UDBE participation **8.1%**
 - b) % of RN DBE participation **8.1%**
 - c) % of LBE participation **0.0%**
 - d) % of SLBE participation **0.0%**
- 3. Was Good Faith Effort (GFE) Documentation submitted? **YES**
- 4. Did the contractor meet the Trucking requirement? **NA**
 - a) Total trucking participation **8.1%**
- 5. Did the contractor receive bid discounts? **N/A**
(If yes, list the percentage received) **N/A**
- 6. Additional Comments.

7. Date evaluation completed and returned to Contract 7/6/2010

Reviewing Officer:

Stephen J. King

Date: 7/6/2010

Approved By:

Shelley Darenburg

Date: 7/6/2010

UDBE Participation

Bidder 2

Project Name: Various Streets and Roads Rehabilitation Phase II													
Project No.: C396810		Engineer's Est. \$1,265,080.00					Under/Over Engineer's Est. -\$210,988.21						
Discipline	Prime & Subs	Location	Cert. Status	LBE Dollars	SLBE Dollars	Total LBE/SLBE Dollars	DBE Dollars	RC UDBE Dollars	Total Dollars	Certified DBE/WBE			
										Ethn.	DBE	RC UDBE	WBE
PRIME Concrete Striping Trucking	Bay Cities Paving & Grading Inc.	Oakland	UB						1,043,216.21	C			
	AJW Construction	Oakland	UB						275,000.00	H			
	Chrisp Co.	Fremont	UB						38,200.00	C			
	STI Trucking	Newark	CB				119,652.00	119,652.00	119,652.00	C			119,652.00
Project Totals				\$0.00	\$0.00	\$0.00	\$119,652.00	\$119,652.00	\$1,476,068.21		\$0.00	\$0.00	\$119,652.00
				0.0%	0.0%	0.0%	8.1%	8.1%	100.0%		0.0%	0.0%	8.1%
										Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
Legend UB = Uncertified Business CB = Certified Business DBE = Disadvantaged Business Enterprise WBE = Women Business Enterprise UDBE = Underutilized Disadvantaged Business Enterprise													



DEPARTMENT OF CONTRACTING AND PURCHASING

Social Equity Division

PROJECT COMPLIANCE EVALUATION FOR :

Construction Services Under-Utilized Disadvantaged Business Enterprise (UDBE)

PROJECT NO.: C396810

PROJECT NAME: Various Streets and Roads Rehabilitation Phase II

CONTRACTOR: Gallagher & Burk, Inc.

Engineer's Estimate:

\$1,265,080.00

Contractors' Bid Amount

\$1,287,713.00

Over/Under Engineer's Estimate

-\$22,633.00

Discounted Bid Amount:

N/A

Amt. of Bid Discount

N/A

Discount Points:

N/A

- 1. Did the RC UDBE Program apply? **YES**
 - a) Race Conscious? **YES**
 - b) Race Neutral **NA**
- 2. Did the contractor meet the RC UDBE goal of 4.05% **NO**
 - a) % of RC UDBE participation **3.1%**
 - b) % of RN DBE participation **3.1%**
 - c) % of LBE participation **0.0%**
 - d) % of SLBE participation **0.0%**
- 3. Was Good Faith Effort (GFE) Documentation submitted? **YES**
- 4. Did the contractor meet the Trucking requirement? **NA**
 - a) Total trucking participation **3.1%**
- 5. Did the contractor receive bid discounts? **N/A**
(If yes, list the percentage received) **N/A**

6. Additional Comments.

Firm failed to meet the minimum 4.05% RC UDBE goal and the Good Faith Effort submitted is not sufficient. Therefore, they are deemed non-responsive.

7. Date evaluation completed and returned to Contract 7/6/2010

Reviewing Officer:

Stephany Hays

Date: 7/6/2010

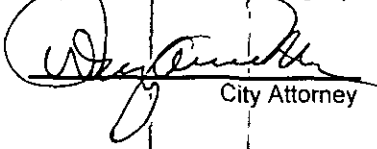
Approved By: *Shelley Darenburg*

Date: 7/6/2010

UDBE Participation Bidder 1

Project Name: Various Streets and Roads Rehabilitation Phase II													
Project No.: C396810		Engineer's Est. \$1,265,080.00				Under/Over Engineer's Est. -22,633.00							
Discipline	Prime & Subs	Location	Cert. Status	LBE Dollars	SLBE Dollars	Total LBE/SLBE Dollars	DBE Dollars	RC UDBE Dollars	Total Dollars	Certified DBE/WBE			
										Ethn.	DBE	RC UDBE	WBE
PRIME	Gallagher & Burk, Inc.	Oakland	UB						935,788.00				
Trucking (partial)	Monroe Trucking	Oakland	CB				40,000.00	40,000.00	40,000.00	C			
Minor Concrete	AJW Construction	Oakland	UB						275,000.00	AA	40,000.00	40,000.00	
Striping (Partial)	Riley's Striping	Union City	UB						36,945.00	H			36,945.00
										C			
Project Totals				\$0.00	\$0.00	\$0.00	\$40,000.00	\$40,000.00	\$1,287,713.00		\$40,000.00	\$40,000.00	\$36,945.00
				0.0%	0.0%	0.0%	3.1%	3.1%	100%		3%	3%	3%
							DBE Dollars	RC UDBE Dollars	Total Dollars	Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
Legend				UB = Uncertified Business CB = Certified Business DBE = Disadvantaged Business Enterprise WBE = Women Business Enterprise UDBE = Underutilized Disadvantaged Business Enterprise									

OAKLAND CITY COUNCIL


City Attorney

2010 JUL -8 PM 2: 58 RESOLUTION NO. _____ C.M.S.

RESOLUTION AWARDING THE CONTRACT FOR CONSTRUCTION OF VARIOUS STREETS AND ROADS, REHABILITATION PHASE II (PROJECT NO. C396810) TO BAY CITIES PAVING & GRADING, INC. IN THE AMOUNT OF ONE MILLION FOUR HUNDRED SEVENTY-SIX THOUSAND SIXTY-EIGHT DOLLARS AND TWENTY-ONE CENTS (\$1,476,068.21)

WHEREAS, the City of Oakland was awarded an American Recovery and Reinvestment Act (ARRA) grant, and the Metropolitan Transportation Commission Program Grant (2606) funding for the ARRA grant was approved and appropriated by City Council on June 16, 2009, per Resolution No. 82094 C.M.S.; and

WHEREAS, this grant money will be moved to Fund 2606, a new fund established for appropriation and expenditures of ARRA grants, in accordance with published Fiscal Tracking and Reporting Requirements for ARRA funds; and

WHEREAS, there are sufficient funds in the project budget for the work and funding for this work is available in the following project account: Metro Transportation Commission (ARRA) (2606); Streets and Structures Organization (92242); Street Construction Account (57411); Project No. C396810; and

WHEREAS, there are sufficient local match funds in the project budget for the work and funding for this work is available in the following project account: State Traffic Congestion Relief – Proposition 42 Fund (2141); Streets and Structures Organization (92242); Street Construction Account (57411); Project No. C369710; and

WHEREAS, on June 24, 2010, two bids were received by the Office of the City Clerk of the City of Oakland in response to the Notice Inviting Bids for Various Streets and Roads Rehabilitation Phase II (Project No. C396810); and

WHEREAS, the lowest bidder, Gallagher and Burk, Inc., failed to meet the minimum 4.05% RC UDBE goal participation and the Good Faith Effort submitted is not sufficient and is, therefore, deemed non-responsive; and

WHEREAS, Bay Cities Paving & Grading, Inc., is the next lowest responsible, responsive bidder for the project; and

WHEREAS, this ARRA grant has a construction award deadline of July 30, 2010 and this authorization is, therefore, needed to meet the award deadline; and

WHEREAS, the ARRA grant requires contractors to meet federal Underutilized Disadvantaged Business Enterprise (UDBE) program requirements; and

WHEREAS, the City lacks the equipment and qualified personnel to perform the necessary repairs and the City Council finds and determines that the performance of this contract is in the public interest because of the economy; and

WHEREAS, the City Administrator has determined that this contract is professional, scientific or technical and temporary in nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive services; and

WHEREAS, the City of Oakland's streets infrastructure is considered a significant asset that impacts the quality of life for those who live and work in Oakland; and

WHEREAS, the City Council adopted a 5-Year Paving Plan for FY 07-12, representing the optimized distribution of paving funds as analyzed by the City's Pavement Management Program, only Federal Aid Urban (FAU) eligible streets may be selected for this project, and the project locations associated with this project are selected from the City's 5-Year Paving Plan for FY 07-12 and are FAU eligible; and

WHEREAS, the Department of Transportation has determined the project documents and plans are eligible for federal funding; now, therefore, be it

RESOLVED: That the contract for the Construction of Various Streets and Roads, Rehabilitation Phase II (Project No. C396810) is hereby awarded to Bay Cities Paving & Grading, Inc. in accordance with the terms of the contractor's bid therefore, dated June 24, 2010 in the amount of One Million Four Hundred Seventy-Six Thousand Sixty-Eight Dollars And Twenty-One Cents (\$1,476,068.21), and be it

FURTHER RESOLVED: That the contractor shall provide a bond for faithful performance in the amount of \$1,476,068.21, and a bond to guarantee payment of all claims for labor and materials furnished and for amount due under the Unemployment Insurance Act in the amount of \$1,476,068.21,; and be it

FURTHER RESOLVED: That the plans and specifications prepared by the Deputy Director of the Community Economic Development Agency for this project are hereby approved; and be it

FURTHER RESOLVED: That the City Administrator is authorized to execute any change orders, amendments, extensions or modifications of said agreement, 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 for form and legality prior to execution and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California