

OFFICE OF THE CITY CLERK
2006 OCT 27 12:48:56

CITY OF OAKLAND
AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: October 24, 2006

RE: Resolution Authorizing Award Of A Contract To Andes Construction, Inc. For The Construction Of Sanitary Relief Sewers Along Clay Street, 8th Street, Jefferson Street, 6th Street And Martin Luther King Jr. Way (Project No. C79310) For The Amount Of One Million Nine Hundred Eighty-One Thousand Three Hundred Thirty-Seven Dollars (\$1,981,337.00)

SUMMARY

A resolution has been prepared authorizing the City Administrator to award a construction contract in the amount of \$1,981,337.00 to Andes Construction, Inc. for the Construction of Sanitary Relief Sewers along Clay Street, 8th Street, Jefferson Street, 6th Street and Martin Luther King Jr. Way (Project No. C79310). The work to be completed under this project is part of the City's annual Sanitary Sewer Infiltration/Inflow (I/I) Correction Program. The work is located in Council District 3 and as shown on the location map in *Attachment A*.

It is recommended that the resolution be approved.

FISCAL IMPACT

There are sufficient funds in the project budget for the work. These funds are available in the Sewer Service Fund (3100); Capital Project-Sanitary Sewer Design Organization (92244); Sewers Account (57417); Project No. C79310.

BACKGROUND

On May 1, 2006, the City Clerk received two bids for this project in the amounts of \$1,981,337.00 and \$2,118,000.00 as shown in *Attachment B*. The lowest bidder, Andes Construction, Inc., is deemed responsive and responsible, and therefore is recommended for the award. Previously, this project was advertised in October 2005. Two bids were received, however, the lowest bidder did not meet the 20% SLBE requirements and the second lowest bidder was 61% over the Engineer's Estimate.

This project will rehabilitate and upsize the sanitary sewer pipes within the project area, add additional flow capacity, and limit overflows and backups during wet weather. This project

meets the Mayor/Council Goals and Citywide Objective to **Build Community and Foster Livable Neighborhoods** by providing for clean, well-maintained sanitary sewer systems.

In general, the proposed work consists of upsizing approximately 1,899 linear feet of existing 18” to 24” diameter sewer pipes, installing approximately 1,041 linear feet of new 18” diameter sewer pipes, and other related works as indicated on the plans and specifications.

Under the proposed contract with Andes Construction, Inc. SLBE participation of \$1,361,337.00 (68.71%) exceeds the City’s 20% LBE/SLBE requirement. The contractor shows \$25,000.00 (100%) for trucking exceeding the 20% Local Trucking requirement. The contractor received 5% credit for LBE/SLBE preference, or \$99,066.85, that made the adjusted bid amount \$1,882,270.15. 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 Administrator’s Office and is shown in *Attachment B*.

KEY ISSUES AND IMPACTS

Construction is scheduled to begin in November 2006 and should be completed by May 2007. The contract specifies \$1,000.00 in liquidated damages per working day if the contract is not completed within 120 working days. The project schedule is shown in *Attachment C*.

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 City’s I/I Correction Program reduces the incidence of sewer overflows and thus prevents potential harm to water 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. Best Management Practices for the protection of storm water runoff during construction will be required.

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 \$1,981,337.00 for the Construction of Sanitary Relief Sewers along Clay Street, 8th Street, Jefferson Street, 6th Street and Martin Luther King Jr. Way (Project No. C79310). Andes Construction, Inc. has met the LBE/SLBE 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,

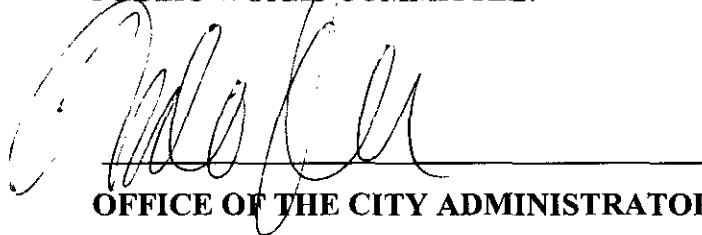


RAUL GODINEZ II, P.E.
Director, Public Works Agency

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

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

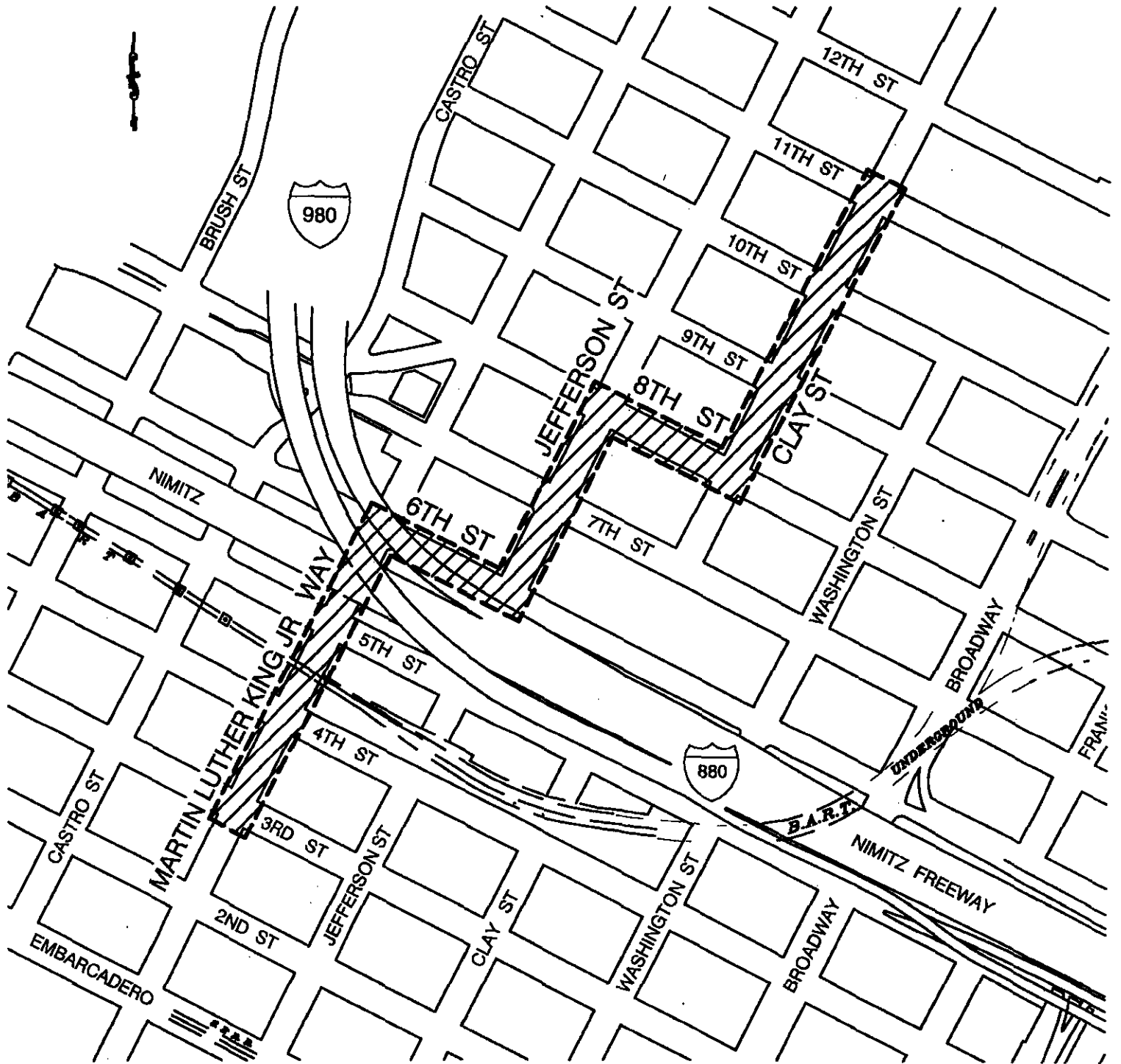
APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR

Attachment A

CONSTRUCTION OF SANITARY RELIEF SEWERS ALONG
CLAY STREET, 8TH STREET, JEFFERSON STREET,
6TH STREET, AND MARTIN LUTHER KING JR. WAY
CITY PROJECT NO. C79310



LIMIT OF WORK 

Attachment B



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: June 8, 2006
Re: Construction of Sanitary Relief Sewer Along Clay Street, 8th Street, Jefferson Street, 6th Street and MLK Jr. Way

Contract Compliance & Employment Services reviewed two (2) bids received in response to the above referenced project. Below is the outcome of our compliance evaluation for the ten percent (10%) 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		
Andes Construction	\$1,981,337.00	68.71%	0.00%	68.71%	100%	68.71%	\$1,882,270	5%	0%	Y
KJ Woods Construction	\$2,118,000.00	10.01%	0.00%	10.01%	100%	10.00%	\$2,075,640	2%	0%	Y

As noted above, Andes and KJ Woods met the 10% L/SLBE requirement. Both contractors are in compliance with the Equal Benefit Ordinance (EBO).

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

Contract Compliance and Employment Services Evaluation Form

Project No.: C79310

Project Name: Construction of Sanitary Relief Sewer Along Clay Street, 8th Street, Jefferson Street, 6th Street and MLK Jr. Way

Contractor: Andes Construction

Contractor's Bid Amount: 1,981,337.00

Engineer's Estimate: 1,589,360.00

Over/Under the Engineers Estimate: 391,977.00

Bid Discounted Amount: \$99,066.85

Discount Points: 5%

Discounted Bid Price: \$1,882,270.15

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

2. Did the contractor meet the 10% requirement? **YES**

a) % of LBE **0.00%**
b) % of SLBE **68.71%**

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

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

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

5. Additional Comments.



6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **6/8/2006**

Reviewing Officer: *[Signature]*

Date: 6/8/2006

Approved By: *[Signature]*

Date: June 11, 2006

LBE/SLBE Participation

Bidder 1

Project Name: Construction of Sanitary Relief Sewer Along Clay Street, 8th Street, Jefferson Street, 6th Street and MLK Jr. Way

Project No.: G79310		Engineers Est: 1,589,360.00				Under/Over Engineers Estimate: 391,977.00				For Tracking Only		
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total	SLBE	Total	TOTAL	Ethn.	MBE	WBE
						LBE/SLBE	Trucking	Trucking	Dollars			
PRIME	Andas Construction	Oakland	CB		1,331,337.00	1,331,337.00			1,331,337.00	H	1,331,337.00	
Micro Tunneling	Vadnals Corp	Sacramento	UB						620,000.00	NL		
Saw Cutting	Bayline	Oakland	GB		5,000.00	5,000.00			5,000.00	H	\$5,000.00	
Trucking	Foston	Oakland	CB		25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	AA	\$25,000.00	
Project Totals				0.00	1,361,337.00	1,361,337.00	25,000.00	25,000.00	1,981,337.00		\$1,361,337.00	
				0.00%	68.71%	68.71%	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		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								

Contract Compliance and Employment Services Evaluation Form

Project No.: C79310

Project Name: Construction of Sanitary Relief Sewer Along Clay Street, 4th Street, Jefferson Street, 6th Street and MLK Jr. Way

Contractor: KJ Woods Construction

Contractor's Bid Amount: 2,118,000.00

Engineer's Estimate: 1,589,360.00

Over/Under the Engineers Estimate: -528,640.00

Bid Discounted Amount: \$42,860.00

Discount Points: 2%

Discounted Bid Price: \$2,075,640.00

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>10.01%</u>

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

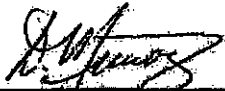
a)	% of Local Trucking	<u>100.00%</u>
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4. Did the contractor received bid discount points?
(If yes, list the points received) **YES**
2%

5. Additional Comments.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **6/8/2006**

**Reviewing
Officer:**



Date: 6/8/2006

Approved By:



Date: 6/10/06

LBE/SLBE Participation Bidder 2

Project Name: Construction of Sanitary Relief Sewer Along Clay Street, 7th Street, Jefferson Street, 8th Street and MILK Jr. Way.

Project No.: C79310		Engineers Est: 1,589,350.00		Under/Over Engineers Estimate: -528,640.00							
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	SLBE Trucking	Total Trucking	TOTAL Dollars	Ethnicity	For Tracking Only
Microtunnelling	KJ Woods Construction	SF	UB						1,278,000.00	C	WBE
Sawing	Nada Pacific	Garruthers	UB		2,000.00				688,000.00	NL	
Paving	Bayline Construction	Oakland	CB		4,000.00				2,000.00	H	\$2,000.00
Trucking	A/JW Construction	Oakland	CB		206,000.00				4,000.00	H	\$4,000.00
	S&S Trucking	Oakland	CB		206,000.00		206,000.00	206,000.00	206,000.00	H	\$206,000.00
Project Totals				0.00	212,000.00	212,000.00	206,000.00	206,000.00	2,118,000.00		\$212,000.00
				0.0%	10.01%	10.01%	100.00%	9.00%			
				LBE: 10%	SLBE: 10%	TRUCKING: 20%	LBE/SLBE: 20%				
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.							
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 = Woman Business Enterprise							
				Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed							

Attachment C

**Construction of Sanitary Relief Sewer along Clay Street, 8th Street, Jefferson Street, 6th Street and Martin Luther King Jr. Way
 Subbasin 6403-1.000
 (Project No. C79310)**

List of Bidders

Company	Status	Location	Bid Amount
Andes Construction, Inc	SLBE	Oakland	\$1,981,337.00
K. J. Woods Construction, Inc		San Francisco	\$2,118,000.00

Project Schedule

ID	Task Name	Start	2005				2006				2007		
			Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	
1	Project No. C227410	Mon 8/2/04	[Gantt bar spanning from Qtr 3 2005 to Qtr 2 2007]										
2	Pre-Design	Mon 8/2/04	[Bar]										
3	Design	Fri 9/3/04	[Bar]	[Bar]	[Bar]	[Bar]	[Bar]						
4	1st Bid (Non-responsive)	Tue 10/18/05					[Bar]	[Bar]	[Bar]	[Bar]			
5	2nd Bid/Award	Mon 5/1/06							[Bar]	[Bar]	[Bar]	[Bar]	
6	Construction	Mon 11/20/06										[Bar]	[Bar]

Approved as to Form and Legality

OFFICE OF THE CITY CLERK
OAKLAND

Oakland City Attorney's Office

2006 OCT 12 AM 8:56

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C. M. S.

INTRODUCED BY COUNCILMEMBER _____

Requires two-thirds vote of the Council

RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC. FOR THE CONSTRUCTION OF SANITARY RELIEF SEWERS ALONG CLAY STREET, 8TH STREET, JEFFERSON STREET, 6TH STREET AND MARTIN LUTHER KING JR. WAY (PROJECT NO. C79310) FOR THE AMOUNT OF ONE MILLION NINE HUNDRED EIGHTY-ONE THOUSAND THREE HUNDRED THIRTY-SEVEN DOLLARS (\$1,981,337.00)

WHEREAS, on May 1, 2006, two bids were received by the Office of the City Clerk of the City of Oakland for the Construction of Sanitary Relief Sewers along Clay Street, 8th Street, Jefferson Street, 6th Street, and Martin Luther King Jr. Way (Project No. C79310); and

WHEREAS, Andes Construction, Inc., a certified SLBE bidding as a prime, is the lowest responsible bidder for the project; and

WHEREAS, there are sufficient funds in the project budget for the work. Funding for this project is available in the Sewer Service Fund (3100); Capital Projects-Sanitary Sewer Design Organization (92244); Sewers Account (57417); The Construction of Sanitary Relief Sewers along Clay Street, 8th Street, Jefferson Street, 6th Street, and Martin Luther King Jr. Way- (Project No. C79310), 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, Andes Construction, Inc. complies with all LBE/SLBE requirements; 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 Construction of Sanitary Relief Sewers along Clay Street, 8th Street, Jefferson Street, 6th Street, and Martin Luther King Jr. Way (Project No. C79310) is hereby awarded to Andes Construction, Inc. in accordance with the terms of its bid therefore, dated May 1, 2006, for the amount of One Million Nine Hundred Eighty-One Thousand Three Hundred Thirty-Seven Dollars (\$1,981,337.00); 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, \$1,981,337.00, 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, \$1,981,337.00, with respect to such work are hereby approved; and be it

FURTHER RESOLVED: That the City Administrator 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 to 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 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, _____, 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