

FILED
OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND

AGENDA REPORT

2008 FEB 13 PM 12:14

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: February 26, 2008

RE: **Resolution Authorizing The City Administrator, Or Her Designee, To Reject All Bids for the Main Library Teen Zone Improvements Project, Waive The Competitive Bidding Requirements, Negotiate, And Award A Construction Contract With Rockridge Builders In An Amount Not To Exceed Three Hundred Ninety Thousand Dollars (\$390,000.00), And To Appropriate Two Hundred Fifty Thousand Dollars (\$250,000.00) To The Main Library Teen Zone Improvements Project From The Public Library Fund**

SUMMARY

The Main Library Teen Zone Improvements Project was previously awarded to Harding Construction (Harding) pursuant to Resolution No. 80391 C.M.S., but Harding was unable to obtain the required contract bonds. Rockridge Builders (Rockridge) submitted the only other bid but its bid is no longer valid given the length of time that has passed. Approval of the resolution is requested in order to reject all bids, waive the competitive bidding requirements, negotiate, and award a construction contract with Rockridge up to the available construction budget of \$390,000.00 including contingency, without return to Council.

The resolution will also authorize the appropriation of \$250,000.00 to the project from the Public Library Fund (2993). Rockridge, a certified small local business, will be required to meet all applicable City contracting requirements. Approval of this resolution will minimize further project delays by authorizing negotiation and award of a construction contract without having to re-bid this project. The Teen Zone was relocated in anticipation of starting construction in April 2007. The temporary location is too small and the delay has had a negative impact on teen and other services. Funds are available for this contract. The project is located in Council District 2.

FISCAL IMPACT

The resolution will authorize a construction contract with Rockridge Builders in an amount not to exceed \$390,000.00, which is the total available construction budget including contingency. Approval of this resolution will also authorize the appropriation of \$250,000.00 from the unreserved fund balance of the Public Library Fund (2993) into Project No. (TBD), Capital Project Management Organization (92270). All other project costs have previously been appropriated. Public Art fees have previously been allocated and Contract Compliance fees will be allocated from the project as necessary.

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This project is a renovation of an existing teen area and does not generate additional staffing requirements. No net increase in maintenance costs is anticipated because there is no change in the hours of operation, the number of patrons is not expected to increase significantly, and food is not allowed in the Teen Zone.

BACKGROUND

In October 2006, the City Clerk received a total of two bids for this project. Harding's bid was the lowest responsive bid at \$274,000.00. Council awarded the project to Harding pursuant to Resolution No. 80391 C.M.S. in February 2007. Unfortunately, the City was unable to execute a contract with Harding since the contractor had difficulty in securing performance and payment bonds. After months of working with Harding, in August 2007, Harding advised the City that they wanted to withdraw their bid. In hindsight, staff believes Harding's bid of \$274,000.00 may have been too low to perform the project and not reflective of the market conditions at the time of bid.

Rockridge is interested in negotiating with the City. With minimal changes to the original scope of work, Rockridge indicates it can improve upon their original bid price. Rockridge is a certified small local business and will be required to meet all applicable City contracting requirements such as the City's Local Business Program and the Equal Benefits Ordinance.

PROJECT DESCRIPTION

The Teen Zone occupies the southeast corner on the second floor of the Main Library located at 125 Fourteenth Street in the downtown district. Renovations to the existing teen space are needed to create an attractive and functional space dedicated for teenage library patrons. The project will provide amenities such as group study rooms, quiet reading nooks, and seating areas for socializing. The project will greatly expand the number of computer workstations, provide improved lighting, improve access to technology for persons with disabilities, and provide a new drinking fountain.

KEY ISSUES AND IMPACTS

The project is significantly behind schedule because the project could not be awarded to the original low bidder (Harding) due to bonding issues. In anticipation of Harding commencing work in April 2007, the Teen Zone space was vacated and a temporary Teen Zone was set up in the basement level West Auditorium of the Main Library. The relocation was intended to last only five months but has lasted nearly a year. The temporary space is too small and the delay has had a negative impact on teen services, providing less than half of the collection, fewer computers, no space for programs and an inability to adequately staff the facility since the temporary location is remote and not situated close to staff offices or other public areas of the Main Library. Additionally, the loss of the West Auditorium, which is the Main Library's only public meeting room, has prevented many public groups and associations from holding meetings in the Library during this period.

Approval of this resolution is in the best interest of the City because it will minimize further project delays by authorizing negotiation and award of a construction contract without having to re-bid this project. 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. Re-bidding the project would further delay the project another six months. With approval of this resolution, anticipated completion is September 2008. The construction period is 100 working days from the date of the Notice to Proceed. The construction contract will specify \$750.00 in liquidated damages per calendar day if the contract completion time is exceeded.

SUSTAINABLE OPPORTUNITIES

Economic: The project will generate business tax, sales tax, and other revenues for the City for work on the project.

Environmental: The project incorporates numerous products with recycled content such as carpeting, metal wall studs, window shades, and terrazzo countertops. Shelving, chairs and tables will be salvaged from the existing teen space to be reused in the renovated Teen Zone.

Social Equity: The project will provide upgraded facilities for the teenage population throughout the City to support their recreational and educational goals:

DISABILITY AND SENIOR CITIZEN ACCESS

Accessibility improvements include a new accessible drinking fountain, improved exterior signage, relocated automatic door operator at the main entry, and adjustable workstations with specialized computer software to accommodate special needs of the hearing or sight impaired.

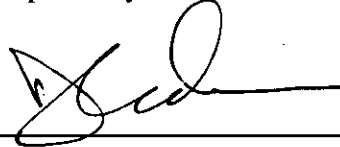
RECOMMENDATION (S) AND RATIONALE

It is recommended that the City Administrator, or her designee, be authorized to reject all bids for the Main Library Teen Zone Improvements Project, waive the competitive bidding requirements, negotiate, and award a construction contract with Rockridge in an amount not to exceed \$390,000.00, without return to Council. Authority is also requested to appropriate \$250,000.00 to the project from the Public Library Fund. Rockridge will be required to meet all applicable City contracting requirements, and there are sufficient funds available to construct this project.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,



DAN LINDHEIM

Director, Community and Economic
Development Agency

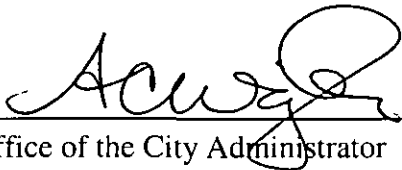
Reviewed by:

Michael Neary, P.E., Deputy Director

Prepared by:

Calvin Hao, CIP Coordinator
Project Delivery Division

**APPROVED AND FORWARDED
TO THE PUBLIC WORKS COMMITTEE:**



Office of the City Administrator

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2008 FEB 13 PM 2 OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO REJECT ALL BIDS FOR THE MAIN LIBRARY TEEN ZONE IMPROVEMENTS PROJECT, WAIVE THE COMPETITIVE BIDDING REQUIREMENTS, NEGOTIATE, AND AWARD A CONSTRUCTION CONTRACT WITH ROCKRIDGE BUILDERS IN AN AMOUNT NOT TO EXCEED THREE HUNDRED NINETY THOUSAND DOLLARS (\$390,000.00), AND TO APPROPRIATE TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00) TO THE MAIN LIBRARY TEEN ZONE IMPROVEMENTS PROJECT FROM THE PUBLIC LIBRARY FUND

WHEREAS, two bids were received by the Office of the City Clerk for the Main Library Teen Zone Improvements Project from Harding Construction Inc., and Rockridge Builders; and

WHEREAS, Harding Construction Inc., was the lowest responsible bidder and was awarded the construction contract pursuant to Resolution 80391 C.M.S. in February 2007 but could not comply with the City's bonding requirements; and

WHEREAS, the bid from the second bidder, Rockridge Builders, is no longer valid given the length of time that has passed; and

WHEREAS, the project delays and the temporary location of the Teen Zone negatively impact teen and other library services, and

WHEREAS, in order to minimize further delays, it is in the City's best interest to reject all bids, waive the competitive bidding requirements, negotiate, and award a construction contract with Rockridge Builders; and

WHEREAS, 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; and

WHEREAS, Rockridge Builders is a certified small local business and will be required to meet the requirements of the City's Local Business Enterprise Program, Local Trucking requirements, and Local Employment requirements; and

WHEREAS, upon approval of this resolution there will be sufficient funds to award the construction contract; and

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

work; and

WHEREAS, the City Council finds and determines based on the representations set forth in the City Administrator's report accompanying this Resolution that the construction contract approved hereunder is technical and temporary in nature; 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 pursuant to O.M.C., Title 2, Section 2.04.050 I (5), the City Council finds and determines that it is in the best interest of the City to waive formal bid requirements; and, be it

FURTHER RESOLVED: That the City Administrator, or her designee, is hereby authorized to reject all other bids and to waive the competitive bidding requirements; and, be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to negotiate and award a construction contract with Rockridge Builders in an amount not to exceed \$390,000.00 without return to Council for the Main Library Teen Zone Improvements Project in accord with Specification No. P241410, and to execute any amendments or modifications of said contract within the limitations of the project specifications; and, be it

FURTHER RESOLVED: That the City Administrator is authorized to appropriate \$250,000.00 from the unreserved fund balance of the Public Library Fund (2993) into Project No. (TBD), Capital Project Management Organization (92270); and, be it

FURTHER RESOLVED: That the City Administrator is authorized to carry out any financial actions necessary to carry out the intent of the resolution, with the exception of those related to an increase in compensation or the allocation of additional funds; 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, _____, 2008

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