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OAKLAND  
2017 NOV -2 AM 10:09

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Jason Mitchell  
Director, Public Works

**SUBJECT:** Construction Award for Rainbow  
Recreation Center  
Renovation & Expansion

**DATE:** October 23, 2017

City Administrator Approval

Date:

11/1/17

## RECOMMENDATION

**Staff Recommends That The City Council Adopt A Resolution Rejecting All Bids, Waiving Further Advertising And Competitive Bidding, Authorizing The City Administrator, Or Designee, To Negotiate, Award And Execute A Construction Contract Without Return To Council For An Amount Not To Exceed Eight Million Seven Hundred Thousand Dollars (\$8,700,000) In The Open Market For The Construction Of The Rainbow Recreation Center Renovation & Expansion (Project No. 1000854), In Accordance With The Project Plans And Specifications. The Contractor Will Be Required To Be In Compliance With The City's Programs Such As Local And Small Local Business Enterprises Requirements.**

## EXECUTIVE SUMMARY

The City issued a Notice of Inviting Bids for the Rainbow Recreation Center Renovation and Expansion project on September 1, 2017 with 2 bids received on September 28, 2017. Both bids did not meet the City's Local Business and Small Local Business enterprise requirements and are deemed non-responsive by the City's Contract and Compliance Division. The bids also exceed the available construction budget for the project.

Approval of this resolution will reject all bids and waive further advertising and competitive bidding per the Oakland Municipal Code (OMC) Section 2.04.050.1.5, and authorize the City Administrator or Designee to negotiate, award and execute a construction contract on the open market in an amount not to exceed \$8,700,000.00 and which is in compliance with the City's Local and Small Local Business Enterprises requirements.

The City has insufficient funds for the lowest bid amount and construction work must begin in January 2018 and be completed by December 2018 in order to meet grant expenditure deadlines. Due to current construction market indications, a rebid of this project would not guarantee lower pricing or generate more interest in the project.

The work to be completed under this project is part of the 2011-13 Park Project Prioritization list and Fiscal Year 2017-19 approved Measure KK projects. The work is located in Council District 6 as shown in **Attachment A - Project Location Map**. This project will add approximately 3,800

Item: \_\_\_\_\_  
Public Works Committee  
November 14, 2017

square feet of building space to accommodate multiple user groups and address deficiencies within the building systems, kitchen and restroom/shower facilities, convert an unused tennis court into a soccer/flag football practice field, and improve landscape, picnic, lighting and other site amenities.

## **BACKGROUND/LEGISLATIVE HISTORY**

Dedicated in 1980, the Rainbow Recreation Center is located at 5800 International Boulevard in the Seminary Neighborhood. It is an over-crowded, aging 9,800 square feet facility which sits on a 1.85 acre site. The programs have outgrown the building and staff currently cannot implement multiple programs at the facility. The Rainbow Recreation Center was identified as a priority project for District 6 and is listed in the Park Project Prioritization list for Fiscal Year (FY) 2011-13, approved by Council under Resolution No. 83725 C.M.S. in February 2012.

Since 2011, the City applied for and received multiple grants and fund sources for the construction of the project:

- **Proposition 84, the Clean Water, Parks and Coastal Protection Act (State Park Grant):** On May 17, 2011, Council approved Rainbow Recreation Center as one of six projects to apply for Round 2 of this competitive grant in Resolution No. 83367 C.M.S. In July 2011 the City submitted the application. In October 2013, the State notified the City of available funds and awarded the grant for the Rainbow Recreation Center project. Grant award amount: \$5,000,000.
- **Housing Related Parks Program (HRPP) Grant:** On March 1, 2016, Council approved Resolution No. 86028 C.M.S. to apply for, accept and appropriate grant funds from the 2015 California Department of Housing and Community Development for the Housing Related Parks Program for the Improvements to Rainbow Recreation Center. After the City was awarded the grant, the City entered into an agreement in February 2017 with the State Department of Housing and Community Development for the funds. Grant award amount: \$928,550.
- **Measure KK – Infrastructure Bond:** In November 2016, the Measure KK General Obligation Bond was approved by the voters of Oakland to fund \$600 million of vital Infrastructure Improvements and Anti-Displacement and Affordable Housing Projects. On June 19, 2017, Council approved the Rainbow Recreation Center in the list of projects commencing with the first bond issuance in Resolution No. 86779 C.M.S. Funding amount: \$5,000,000.
- **Proposition 40 State Youth Soccer Grant:** On October 4, 2016, Council approved Rainbow Recreation Center as one of two projects to apply for this competitive grant in Resolution No. 86407 C.M.S. The application was submitted in November 2016 with notification of grant award on June 14, 2017. Grant award amount: \$380,000, pending agreement execution.

**ANALYSIS AND POLICY ALTERNATIVES**

The project was advertised on September 1, 2017. Notifications were distributed by several means:

- City of Oakland *iSupplier* system which includes City certified firms, registered General Contractors, plan rooms and builder's exchange, totaling over 300 notices;
- Printed legal notice in the Oakland Tribune, Daily Pacific Builder, El Mundo, Oakland Post, The Korea Times and the World Journal publications;
- Posting on CIPlist.com, which distributes to registered plan rooms and builders' exchanges; and
- Outreach by consultant to potential contractors informing of the opportunity.

On September 28, 2017, the City Clerk received two bids from non-local general contractors for the Rainbow Recreation Center project as shown on **Attachment B: Bid Summary** (dated September 29, 2017). The bid amounts are:

Company	Bid Amount	Bid Variance
Engineer's Estimate	\$8,200,000	0
Thompson Builders	\$10,795,000	+31.6%
Strawn Construction	\$11,282,000	+37.6%

The professional cost estimate was finalized in August 2017, but could not account for the lack of available and willing contractors or subcontractors that would be interested in the project.

Both contractors were deemed non-compliant by the Contract and Compliance Division because both did not meet the Local and Small Local Business enterprise requirements. See **Attachment C: Contract Compliance Bid Analysis** (October 5, 2017).

As a result, both bids submitted are therefore non-responsive to the City's available construction budget and fail to meet compliance programs. The City has insufficient funds for the lowest bid amount. Construction work, however, must begin in January 2018 and be completed by December 2018 in order to meet grant expenditure deadlines.

Staff informally surveyed a few local and non-local contractors right after bid to learn why they had pulled project plans but did not submit a bid and to find out from subcontractors which firms they provided subcontractor's bids. Many general contractors cited that they are extremely busy now or that it is challenging to meet some of the City's programs, especially if they are a non-local firm. One non-local subcontractor could not find a general contractor willing to receive its bid because the general contractors expressed low interest in the project.

Because of current construction market indications, a rebid of this project would not guarantee lower pricing or generate more interest in the project. The construction market has seen a 5%

cost index increase in the last year alone. Due to grant time constraints and the construction market conditions, it is in the City's best interest to enter into negotiation to execute a contract as soon as possible.

In accordance with Oakland Municipal Code (OMC) Section 2.04.050, which requires advertising and competitive bidding for contracts that exceed \$50,000; section 2.04.050.1.5 provides an exception to the advertising and competitive bidding requirements upon a finding and determination by the City Council that it is in the best interests of the City to do so. In addition, OMC section 2.04.050.J states that if no valid bids are received after advertising as required, the City Administrator may proceed to hire or have the services performed or purchase the supplies in the open market.

Thus, per OMC 2.04.050.1.5, staff recommends that it is in the City's best interest to waive further advertising and competitive bidding. In order to meet the grant schedule, the City will negotiate to secure a contract in the open market that is within the project budget and that meets the City's contract compliance and program requirements.

Staff will further analyze the bid from the lowest apparent bidder and begin negotiations with the firm, which is a non-local firm. The firm has expressed interest in working with the City to make the project viable within funding constraints. Discussion will begin by understanding their costs and where the differences lay in several scope line items that vastly differed from the cost estimate and determine if there are any cost items to be reduced through better understanding of the scope or the cost margin. The next step will be to consider potential scope modifications but maintain as much of the project scope as possible without affecting operational use, and develop a priority list of alternates that can be modified or reduced. If a price cannot be reached with the apparent low bidder, a willing and qualified contractor will be engaged, with a priority for a local firm. Staff will contact a local firm to gauge interest in the project, availability and perform reference checks on completed project(s).

## **FISCAL IMPACT**

### **1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:**

The Engineer's estimate for this project is \$8,200,000.00.

Approval to negotiate and execute a construction contract in an amount not to exceed \$8,700,000.

### **2. COST ELEMENTS OF AGREEMENT/CONTRACT:** Construction and development of the Rainbow Recreation Center improvement as identified by bid plans and specifications.

3. SOURCE OF FUNDING:

FUNDING SOURCE	AMOUNT
State Parks & Recreation Grant Fund (2134); Capital Projects Organization (92270); Structures and Improvements Account (57211); Rainbow Recreation Project (No. 1000854); Project Delivery Program (IN06), Award (22011), pending carryforward approval.	\$3,500,000.00
State Housing Related Parks Program Fund (2144); Capital Projects Organization (92270); Structures and Improvements Account (57211); Rainbow Recreation Project (No. 1000854); Award (23321)	\$928,550
City of Oakland Infrastructure Bond (5330); Capital Projects Organization (92270); Structures and Improvements Account (57211); Rainbow Recreation Project (No. 1003450); Award (23253)	\$4,271,450.00
<b>TOTAL FUNDS</b>	<b>\$8,700,000.00</b>

4. FISCAL IMPACT:

Approval of the resolution will authorize the City Administrator to execute a construction contract in the amount not to exceed \$8,700,000.00. The City is in the process of executing an agreement with the California State Department of Parks & Recreation Youth Soccer Grant (Fund 2134) in the amount of \$380,000. Upon completion, this grant will replace the funding used for construction from Measure KK. The offset funds will return for use of other associated project needs.

The City is currently responsible for the maintenance of the existing facility and landscaping areas. The new building expands the square footage from 9,800 square feet to 13,700 square feet. The expanded size will trigger additional Internal Service Fund 4400 cost in the fiscal year it opens. The contractor will provide plant establishment for one year after construction completion.

**PUBLIC OUTREACH/INTEREST**

A series of five (5) meetings with the community, focus groups and Neighborhood Crime Prevention Council were conducted in 2011 to develop the concept plan that was submitted for Round 2 of the Proposition 84 grant application. The meetings identified and prioritized the community's need for activities, adjacencies, safety and beautification.

Upon grant award, an additional six (6) meetings with community and focus groups were conducted in 2015 – 2017 to fine-tune the design and discuss architectural style, colors and materials. The Rainbow Recreation Center project was endorsed by the Park and Recreation Advisory Committee in October 2016 and approved by the Planning Commission in May 2017. The project was noticed to adjacent properties through the City's Planning and Zoning Approval process for a Conditional Use Permit and Regular Design Review.

## **COORDINATION**

The project has been coordinated within Public Works Department, Parks & Recreation Department and Contracts & Compliance Division of the City Administrator's Office. This report has been reviewed and approved by Office of the City Attorney and Budget Office.

## **SUSTAINABLE OPPORTUNITIES**

***Economic:*** This project replaces damaged and aged City infrastructure. The contractor is verified for Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) participation by the Social Equity Division of the Department of Contracting and Purchasing. The construction services provided by local firms will result in dollars being spent locally. In addition, upon completion, the recreation center will be a value-added asset to the City that could generate additional revenues for the City and local businesses.

***Environmental:*** The contractor is required to comply with the City's Waste Recycling and Re-use Plan (WRRP). The new facility will be energy efficient, achieving Leadership in Energy and Environmental Design (LEED) Silver rating and with water conserving irrigation and plumbing fixtures and native planting. The project design incorporated strategies to maximize natural lighting and cross ventilation for the facility.

***Social Equity:*** The facility is the only recreation center serving East Oakland in the Seminary, Lockwood Garden, Melrose and other neighborhoods along International Boulevard. The expanded facility will offer new programming opportunities in a new, updated facility to better serve the community that has highest ethnic diversity, economically challenged, and a high youth population. The expanded facility will be compliant with the American Disability Act, providing improved access to staff and patrons such as seniors and those with mobility impairment.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council adopt a resolution rejecting all bids, waiving further advertising and competitive bidding, authorizing the City Administrator, or designee, to negotiate, award and execute a construction contract without return to Council for an amount not to exceed Eight Million Seven Hundred Thousand Dollars (\$8,700,000) in the open market for the construction of the Rainbow Recreation Center Renovation & Expansion (Project No. 1000854), in accordance with the project plans and specifications. The contractor will be required to be in compliance with the City's programs such as Local and Small Local Business Enterprises prior to execution of the contract.

For questions regarding this report, please contact Denise Louie, C.I.P. Coordinator at (510) 238-3682.

Respectfully submitted,



JASON MITCHELL  
Director, Oakland Public Works

Reviewed by:

Danny Lau, P.E., Assistant Director  
Bureau of Design & Construction

Reviewed by:

Randy Mach, P.E., Acting Division Manager  
Project Delivery Division

Prepared by:

Denise Louie, LEED AP, CIP Coordinator  
Project Delivery Division

*Attachments (3):*

*A: Project Location Map*

*B: Bid Summary by OPW Contract Services*

*C: Compliance Analysis by Contracts & Compliance Division*

# ATTACHMENT A: LOCATION MAP



**Rainbow Recreation Center**  
**5800 International Boulevard**



**ATTACHMENT B:  
BID SUMMARY**

**CITY OF OAKLAND BID SUMMARY  
Public Works Department - Contract Services**

- A) PROJECT NAME: RAINBOW RECREATION CENTER RENOVATION & EXPANSION  
 B) PROJECT NO: 1000854  
 C) BID OPENING DATE: September 28, 2017  
 D) BASIS OF AWARD (BOA): Base Bid  
 E) ENGINEER'S ESTIMATE OF BOA: \$8,200,000.00  
 F) APPARENT LOW BIDDER PER BOA: Thompson Builders Corp  
 G) PROJECT MANAGER: Denise Louie  
 H) COMPLIANCE OFFICER: Sophary Hang  
 I) ISSUED TO COMPLIANCE, PROJECT MANAGER AND ALL PRIME BIDDERS: September 29, 2017  
 J) COMMENTS:
  - 1) The apparent low bidder is not necessarily the lowest responsive, responsible bidder. The Dept. of Contract Compliance must evaluate all bids for mandatory local business participation and any bid discounts.
  - 2) \* Strawn Construction's Schedule R was incomplete at bid time. Dollar amounts were not listed for most vendors. Contractor's bid is deemed NON-RESPONSIVE.
  - 3) \*\* Subcontractor Native Landscape Co. is not registered with the Dept of Industrial Relations. Contractor's bid is deemed NON-RESPONSIVE.

Mandatory Bid Items	Strawn Construction, Inc.	Thompson Builders Corp
Contractor's Bid Form and Bid Schedule	Y	Y
Correct Bidder License Type and Active per CSLB?	B	A, B, C17
Subcontractor Licenses Listed and Active per CSLB?	Y	Y
Prime & Subcontractors Registered with DIR?	N **	Y
Addenda acknowledgement	Y	Y
Bid Security Clause	Y	Y
Contractor Signature	Y	Y
Schedule O - Campaign Contribution Limits	Y	Y
Schedule R - Subcontractor, Supplier, Trucker Listing *	Y	Y
If Trucking is required, was one listed?	Y	Y
Bid Bond	Y	Y
Does EMR exceed 1.5?	N	N

Engineer's Estimate			Strawn Construction, Inc.	Thompson Builders Corp
Item Number	Item Description	Total Amount	Total Amount	Total Amount
1	Lump Sum Base Bid	8,200,000.00	11,282,000.00	10,795,000.00

**Bid Alternate 1:**

1	ADD Cost of Commercial Liability Insurance Coverage	Lump Sum	-	40,000.00	65,000.00
2	ADD Cost of Worker's Compensation Insurance Coverage	Lump Sum	-	137,000.00	125,000.00
3	ADD Cost of Excess Liability or Umbrella Insurance Coverage	Lump Sum	-	20,000.00	65,000.00
Total of Bid Alternate 1			-	197,000.00	255,000.00
Estimated OCIP Cost: 2.3% of Total of Base Bid			-	259,486.00	248,285.00

ADD Bid Alternate #1 if Bidder's EMR ≥ 1.5 (per Bid Instructions, Section 17)			-	-	-
<b>TOTAL BID (BOA)</b>				<b>11,282,000.00</b>	<b>10,795,000.00</b>

IF Bid Alternate #1 < Estimated OCIP Cost, contract total shall include Bid Alternate #1 in lieu of OCIP.				11,479,000.00	-
% Over / Under Engineer's Estimate				38%	31.6%

\* If the NTB indicates a Self-Performance requirement for this project, the values provided in Schedule R will be used in the calculation. The following calculation will be used to determine compliance. (Special Provisions Section 2-3.2)

$$\text{Self-Performance \%} = \frac{(\text{Contract Price} - \text{Total Subcontracted Cost})}{\text{Contract Price}}$$

- **Contract Price** is defined as the total Base Bid Price, plus any selected bid alternates.
- **Total Subcontracted Cost** includes all subcontractor bids for the Base Bid and any selected bid alternates, excluding any Specialty Items. This cost excludes the prime bidder's supplier costs and trucking bids.

ATTACHMENT C: CONTRACT COMPLIANCE  
 BID ANALYSIS



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**INTER OFFICE MEMORANDUM**

**TO:** Denise Louie, CIP Coordinator

**FROM:** Deborah Barnes,  
 Director, Contracts & Compliance

**SUBJECT:** Compliance Analysis  
 Rainbow Recreation Center  
 Renovation and Expansion  
 Project No. 1000854

**DATE:** October 5, 2017

City Administrator's Office, Contracts and Compliance Unit reviewed two (2) bids in response to the above referenced project. Below is the outcome of the compliance evaluation for the minimum 50% Local and Small Local Business Enterprise (L/SLBE) participation requirement, a preliminary review for compliance with the Equal Benefits Ordinance (EBO), and a brief overview of compliance with the 50% Local Employment Program (LEP) and the 15% Oakland Apprenticeship Program by the lowest compliant bidder on their most recently completed City of Oakland project.

Non-Compliant with L/SLBE and/or EBO Policies		Proposed Participation					Earned Credits and Discounts			EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	*VSLBE/LPG	L/SLBE /VSLBE Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount	
Thompson Builders	\$10,795,000	53.99%	44.09%	9.25%	0.65%	100%	0.0%	0.0%	\$0.00	N
Strawn Construction	\$11,282,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.0%	0.0%	\$0.00	N

**Comments:** As noted above, both bidders failed to meet the minimum 50% L/SLBE participation requirement. Strawn Construction failed to list dollar amount on Schedule R (subcontractor, Supplier, Trucking Listing) and compliance could not be determined. Therefore, they are deemed non-compliant. Both firms are not EBO compliant. They must come into compliance upon full contract execution.



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:** Thompson Builders  
**Project Name:**  
**Project No:**

**50% Local Employment Program (LEP)**

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

**15% Oakland Apprenticeship Program**

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

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 Oakland Apprenticeship Hours Achieved	Apprenticeship Goal and Hours		Apprentice Shortfall Hours
		Goal	Hours	Goal	Hours					Goal	Hours	
A	B	C		D		E	F	G	H	I		J
0	0	50%	0	15%	0	0	0	0	0	15%	0	0

**Comments:** There is no Local Employment or 15% Apprenticeship data for this firm. The firm has not had a previous City of Oakland project.

*Deborah Barnes*  
 Deborah Barnes, Director  
 Contracts & Compliance

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

**CITY ADMINISTRATOR'S OFFICE**

**Contracts and Compliance Unit**



**PROJECT COMPLIANCE EVALUATION FOR :**

**Project No. 1000854**

**RE: Rainbow Recreation Center Renovation & Expansion**

**CONTRACTOR: Thompson Builders Corp**

<u>Engineer's Estimate:</u>	<u>Contractors' Bid Amount</u>	<u>Over/Under Engineer's Estimate</u>
\$8,200,000.00	\$10,795,000.00	(\$2,595,000.00)
<u>Discounted Bid Amount:</u>	<u>Amt. of Bid Discount</u>	<u>Discount Points:</u>
\$10,795,000.00	\$0.00	0.00%
1. Did the 50% local/small local requirement apply:		<u>YES</u>
2. Did the contractor meet the 50% requirement		<u>NO</u>
a) % of LBE participation	<u>44.09%</u>	
b) % of SLBE participation	<u>9.25%</u>	
c) % of VSLBE participation	<u>*0.65%</u>	1.30% (double counted value)
** Proposed VSLBE/LPG participation		
3. Did the contractor meet the L/SLBE trucking requirement?		<u>YES</u>
a) Total L/SLBE trucking participation	<u>0.00%</u>	
a) Total VSLBE trucking participation	<u>100.00%</u>	
4. Did the contractor receive bid discount points?		<u>NO</u>
(if yes, list the points received)	<u>0%</u>	
5. Additional Comments.		
<b>Firm failed to meet the minimum 50% L/SLBE participation requirement with a 21.75 SLBE shortfall. Therefore, they are non-compliant to L/SLBE requirement.</b>		
6. Date evaluation completed and returned to Contract Admin./Initiating Dept.		

10/5/2017

Date

Reviewing Officer:

[Signature]

Date: 10/5/2017

Approved By:

Shelley Warensburg

Date: 10/5/2017

## LBE/SLBE Participation Bidder 1

Project Name:		Rainbow Recreation Center Renovation & Expansion														
Project No.:		1000854			Engineer's Estimate			8,200,000.00			Under/Over Engineers Estimate:			-2,595,000.00		
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	*VSLBE/LPG (2x Value)	Total LBE/SLBE	VSLBE Trucking	L/SLBE Trucking	Total Trucking	TOTAL Dollars	Ethn.	MBE	WBE		
															PRIME	Thompson Builders Corp
Demolition	Dekay Demolition and Clearing	Oakland	CB	97,000.00			97,000.00				97,000.00	C				
Grading	Gallagher & Burk	Oakland	CB	1,686,000.00			1,686,000.00				1,686,000.00	C				
Pavement Utilities	West Pac Sports System	S. Carolina	UB								268,000.00	NL				
Synthetic Turf	RMT Landscape	Oakland	CB	358,000.00			358,000.00				358,000.00	H	358,000.00			
Landscaping	National Metal	Hayward	UB								790,000.00	NL				
Steel	Fremont Millwork	Klamath Falls, Or	UB								118,000.00	NL				
Casework	Westcon Roofing	Richmond	UB								86,000.00	C				
Roofing	ACR Glass	Oakland	CB		422,000.00		422,000.00				422,000.00	AI	422,000.00			
Storefront	West Coast Drywall	Santa Rosa	UB								152,000.00	C				
Drywall/ Metal Framing	KBI Painting	Petaluma	UB								128,000.00	C				
Painting	Island Fire Prevention	Vacaville	UB								42,000.00	AP	42,000.00			
Fire Sprinklers	Pauls Plumbing	Oakland	CB		527,000.00		527,000.00				527,000.00	C				
Plumbing	Monterey Mechanical	Oakland	CB	1,150,000.00			1,150,000.00				1,150,000.00	C				
Mechanical	Digital Design	Oakland	CB	1,268,000.00			1,268,000.00				1,268,000.00	H	1,268,000.00			
Electrical	Monroe Trucking	Oakland	CB			70,000.00	70,000.00	70,000.00	70,000.00		70,000.00	AA	70,000.00			
Trucking	Chaix	Oakland	CB		30,000.00		30,000.00				30,000.00	NL				
Operable Partitions	Arrow	Oakland	CB		20,000.00		20,000.00				20,000.00	NL				
Signage	East Bay Restaurant Supply	Oakland	CB	200,000.00			200,000.00				200,000.00	NL				
Food Service Equipment																
<b>Project Totals</b>				4,759,000.00 44.09%	999,000.00 9.25%	70,000.00 0.65%	5,828,000.00 53.99%	70,000.00 100.00%	70,000.00 100.00%	0.00 100.00%	10,795,000.00 100.00%		2,160,000.00 20.01%	0.00 0.00%		
<b>Requirements:</b> The 50% requirements is a combination of 25% LBE and 25% SLBE participation. An SLBE firm can be counted 100% towards achieving 50% requirements and aVSLBE/LPP firm can be counted double towards achieving the 50% requirement.				LBE-25%	SLBE-25%	VSLBE/LPG	TOTAL LBE/SLBE	VSLBE Trucking	L/SLBE TRUCKING	TOTAL DOLLARS	<b>Ethnicity</b> AA = African American A = Asian AI = Asian Indian AP = Asian Pacific					

\*\* Proposed VSLBE/LPG participation is valued at 0.65%, however per the L/SLBE Program a VSLBE/LPG's participation is double counted towards meeting the requirement. Double counted percentage is reflected on the evaluation form and cover memo.

**CITY ADMINISTRATOR'S OFFICE**

**Contracts and Compliance Unit**



**PROJECT COMPLIANCE EVALUATION FOR :**

**Project No. 1000854**

**RE: Rainbow Recreation Center Renovation & Expansion**

**CONTRACTOR: Strawn Construction, Inc.**

<b>Engineer's Estimate:</b> \$8,200,000.00	<b>Contractors' Bid Amount</b> \$11,282,000.00	<b>Over/Under Engineer's Estimate</b> (\$3,082,000.00)
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<b>Discounted Bid Amount:</b> \$11,282,000.00	<b>Amt. of Bid Discount</b> \$0.00	<b>Discount Points:</b> 0.00%
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- 1. Did the 50% local/small local requirement apply: **YES**
- 2. Did the contractor meet the 50% requirement
  - a) % of LBE participation **0.00%**
  - b) % of SLBE participation **0.00%**
  - c) % of VSLBE participation **\*0.00%**      **0.00%** (double counted value)
- 3. Did the contractor meet the L/SLBE trucking requirement?  
a) Total L/SLBE trucking participation **0.00%**  
a) Total VSLBE trucking participation **0.00%**  
**NO**
- 4. Did the contractor receive bid discount points?  
(If yes, list the points received) **0%**      **NO**

5. Additional Comments.

**Firm failed to list dollars amount on Schedule R (Subcontractor, Supplier, Trucking Listing) and compliance could not be determined. Therefore, they are non-complaint with the 50% L/SLBE Program.**

6. Date evaluation completed and returned to Contract Admin./Initiating Dept.

10/5/2017

Date

**Reviewing Officer:**

*[Signature]*

**Date:** 10/5/2017

**Approved By:**

*[Signature]*

**Date:** 10/5/2017

## LBE/SLBE Participation Bidder 2

Project Name: Rainbow Recreation Center Renovation & Expansion														
Project No.: 1000854		Engineer's Estimate 8,200,000.00			Under/Over Engineers Estimate: -3,082,000.00									
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	*VSLBE/LPG (2x Value)	Total LBE/SLBE	VSLBE Trucking	L/SLBE Trucking	Total Trucking	TOTAL			
											Dollars	Ethn.	MBE	WBE
PRIME	Strawn Construction, Inc.	San Jose	UB								11,197,000.00	NL		
Demo/Abatement	AMG	Oakland	CB									C		
Insulation	Coast Building Products	Dublin	UB									NL		
Expansion Joints	Bear Fireproofing	Aliso	UB									NL		
Overhead Doors	The Smith Company	Loomis	UB									NL		
Flooring	All County	Benicia	UB									NL		
Painting	Masks	Oakland	CB									C		
Paving	Gallagher & Burke	Oakland	CB									C		
Trucking	Monroe Trucking	Oakland	UB								65,000.00	AA	65,000.00	
HVAC/ Plumbing	AMG	Oakland	CB									C		
Metals	Delta Steel	Carmichael	UB									NL		
Fire Sprinklers	Bay Cities Fire Protection	Santa Rosa	UB									NL		
Visual	Tullum	Oakland	CB									NL		
Glazing/ Skylights	US Glass & Aluminum	Pittsburg	UB									NL		
Lath & Plaster	Boeger Plastering	Applegate	UB									NL		
Casework	Fremont Mills Works	Klamath Falls, Or	UB									NL		
Acoustical	T3	Fremont	UB									NL		
Roofing	Andy's Roofing	San Leandro	UB									NL		
Metal Stud/ Drywall	Magnum Drywall	Fremont	UB									NL		
Underground Utilities	Gallagher & Burke	Oakland	CB									C		
Flooring	Thompson Group	Emeryville	UB									NL		
C & D hauler	Premier Recycling	San Jose	UB								20,000.00	NL		
Structural Concrete	West Valley Concrete	Modesto	UB									NL		
Metal Decking	Linden Steel	Manteca	UB									NL		
Landscaping	Native Landscape, Co.	Oakland	CB									H		
Folding Partition	Consolidge Partition	Oakland	CB									C		
Kitchen Supply	Myers Restaurant Supply	Santa Rosa	UB									NL		
<b>Project Totals</b>				0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,282,000.00		65,000.00	0.00
				0.00%	0.00%	0.00%	0.00%	#DIV/0!	#DIV/0!	100.00%	100.00%		0.58%	0.00%
<b>Requirements:</b> The 50% requirements is a combination of 25% LBE and 25% SLBE participation. An SLBE firm can be counted 100% towards achieving 50% requirements and aVSLBE/LPP firm can be counted double towards achieving the 50% requirement.												<b>Ethnicity</b> AA = African American A = Asian AI = Asian Indian AP = Asian Pacific		

2017 NOV -2 AM 10:08

# OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C.M.S.

Introduced by Councilmember \_\_\_\_\_

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**RESOLUTION REJECTING ALL BIDS, WAIVING FURTHER ADVERTISING AND COMPETITIVE BIDDING, AUTHORIZING THE CITY ADMINISTRATOR, OR DESIGNEE, TO NEGOTIATE, AWARD AND EXECUTE A CONSTRUCTION CONTRACT WITHOUT RETURN TO COUNCIL FOR AN AMOUNT NOT TO EXCEED EIGHT MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$8,700,000.00) IN THE OPEN MARKET FOR THE CONSTRUCTION OF THE RAINBOW RECREATION CENTER RENOVATION AND EXPANSION PROJECT (NO. 1000854) IN ACCORDANCE WITH THE PROJECT PLANS AND SPECIFICATIONS**

**WHEREAS**, the Rainbow Recreation Center was identified as a priority project in the FY11-13 Park Project Prioritization list approved by Council under Resolution No. 83725 C.M.S. in February 2012; and

**WHEREAS**, on May 17, 2011 the City Council approved Rainbow Recreation Center project as one of six projects to apply for Round 2 of the Proposition 84, the Clean Water, Parks and Coastal Protection Act competitive grant in Resolution No. 83367 C.M.S.; and

**WHEREAS**, in October 2013 the City was awarded and entered into an agreement with the State of California Department of Parks & Recreation receiving Proposition 84 grant funds for the project; and

**WHEREAS**, on March 1, 2016 the City Council approved Resolution No. 86028 C.M.S. allowing staff to apply for, accept and appropriate grant funds from the California Department of Housing and Community Development for the 2015 Housing Related Parks Program (HRPP) for the Rainbow Recreation Center; and

**WHEREAS**, on October 4, 2016 the City Council approved Rainbow Recreation Center as one of two projects to apply for the Proposition 40 California Youth Soccer and Recreation Development Program in Resolution No. 86407 C.M.S.; and

**WHEREAS**, in November 2016 the Measure KK General Obligation Bond was approved by the voters of Oakland to fund \$600 million of vital infrastructure improvements and anti-displacement and affordable housing projects; and



**WHEREAS**, in February 2017 the City entered into Agreement with the State of California Department of Housing and Community Development receiving grant funds for the project; and

**WHEREAS**, on June 19, 2017 the City Council approved Rainbow Recreation Center in the list of projects commencing with the first Measure KK bond issuance in Resolution No. 86779 C.M.S.; and

**WHEREAS**, on September 1, 2017 the City advertised the Rainbow Recreation Center Renovation & Expansion Project No. 1000854 for bid and 2 bids were received in the amounts of \$10,795,000 and \$11, 282,000 by the City Clerk on September 28, 2017; and

**WHEREAS**, in October 2017 the City is in the process of entering an Agreement with the State of California Department of Parks & Recreation receiving Youth Soccer grant funds for the project; and

**WHEREAS**, both bids were deemed non-responsive as the contractors did not meet the City's Local and Small Local Business Enterprise program as reviewed by the Contracts and Compliance Unit and both bids were significantly over the construction estimate of \$8,200,000; and

**WHEREAS**, OMC Section 2.04.050.I.5 provides an exception to the advertising and competitive bidding requirements of the OMC upon a finding and determination by the City Council that it is in the best interests of the City to do so and Section 2.04.050.J states that if no valid bids are received after advertising as required, the City Administrator may proceed to hire or have the services performed or purchase the supplies in the open market; and

**WHEREAS**, advertising and competitive re-bidding will delay the construction project which is to be completed and opened to the public by December 31, 2018 before grant funds expiration;

**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 temporary in nature; and

**WHEREAS**, the City lacks the equipment and qualified personnel to perform the necessary work, 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 all bids are hereby rejected; and be it

**FURTHER RESOLVED:** That the City Council finds and determines that it is in the best interest of the City to waive further advertising and competitive bidding per OMC Section 2.04.050.I.5 and per Section 2.04.050.J that the City Administrator may proceed to hire or have

the services performed or purchase the supplies in the open market since no valid bids are received after advertising as required,; and be it

**FURTHER RESOLVED:** That the City Administrator, or Designee, is authorized to negotiate, award and execute a construction contract without return to Council for the construction Rainbow Recreation Center Renovation and Expansion Project No. 1000854 for an amount not to exceed of Eight Million Seven Hundred Thousand Dollars (\$8,700,000) contingent upon the availability of funding in accordance with the project plans and specifications; and be it

**FURTHER RESOLVED:** That the City Council hereby approves the plans and specifications, including any subsequent changes during construction, that will be reviewed and adopted by the Assistant Director of the Oakland Public Works Department for this project; and be it

**FURTHER RESOLVED:** That the City Administrator, or Designee, is authorized to execute any amendments or modifications of the contract within the limitations of the project specifications; and be it

**FURTHER RESOLVED:** That the successful contractor shall comply with all City contracting and compliance program requirements that apply to this contract, including Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) participation and be verified by the Contracts and Compliance Division; and be it

**FURTHER RESOLVED:** That the successful contractor shall provide faithful performance bond and a bond to guarantee payment of all claims for labor and materials furnished and for the amount of 100% of the contract price and due under the Unemployment Insurance Act prior to execution of the contract; 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, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, GIBSON MCELHANEY, and PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California