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OFFICE OF THE CITY CLERK  
OAKLAND

**THE CITY OF OAKLAND**  
**AGENDA REPORT**

TO: 2010 DEC 23 09:56 AM The City Administrator  
ATTN: Dan Lindheim  
FROM: Community and Economic Development Agency  
DATE: January 11, 2011

SUBJECT: Resolution Waiving Advertising And Bidding Requirements And Awarding A Contract For The Construction Of The Rainbow Teen Center At 5818 International Boulevard To Pulte Homes In An Amount Not To Exceed \$121,000, And Accepting A Donation Of \$204,0000 In Labor And Materials From Pulte Homes For The Rainbow Teen Center Project

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**SUMMARY**

Staff is requesting authorization to waive advertising and bidding requirements and to award a contract to Pulte Homes for construction-related improvements to the Rainbow Teen Center located at 5818 International Boulevard. In addition, staff is seeking authorization to accept a donation from Pulte Homes for additional construction improvements made to the Rainbow Teen Center.

The property located at 5818 International Blvd. was in a severe state of disrepair and contributed to physical blight in the surrounding community when it was purchased by the City using Redevelopment Agency funds in 2007. Recognizing the need to improve the overall condition of the property, Agency funds were allocated under successive rounds of funding through the Coliseum Neighborhood Projects Initiative Program. In response to a massive effort to seek donations from local sources, Pulte Homes was one of the few corporate donors who rose to the occasion and volunteered to assist with the rehabilitation of the property, which occurred early in 2010. Using their extensive contacts with material suppliers, subcontractors, and the construction trade industry, they were instrumental in transforming a blighted property into a thriving asset to the community. Through the partnership with the non-profit group Rebuilding Together Oakland, they collectively leveraged additional assistance through their extensive network of volunteers.

**FISCAL IMPACT**

There is no fiscal impact to the City's general fund since the Agency funded the project through successive and previously allocated funding from the Coliseum Redevelopment Neighborhood Project Initiative (NPI) Program.

Funding is currently available for the Pulte Homes contract as noted under the following table:

Source of Funds		
Project Name	Project Account	Total Available
FY 2006-07 NPI Funds: Rainbow Center	1, 7780, 88659, S284045	\$40,000
FY 2006-07 TAB Funds: 5818 Intl. Blvd. Acquisition Balance	1, 7780, 88659, S332610	\$7,000
FY 2008-09 NPI Funds: Rainbow Teen Center	1, 7780, 88659, T373710	\$13,700
FY 2009-10 NPI Funds: Rainbow Teen Center	1, 7780, 88659, S284052	\$60,000
Total		\$120,700

**BACKGROUND**

In 2007, the City purchased the site located at 5818 International Boulevard with tax-exempt Redevelopment Agency bond funds to establish a teen center in Central East Oakland. Recognizing that the property condition was in a state of disrepair, a fundraising campaign was started to raise donations to improve the property and to someday realize the dream of opening a teen center at the site. Through the assistance of the Agency’s Neighborhood Projects Initiative (NPI) Program, several successive rounds of funding were awarded towards this project. More importantly, Pulte Homes was the major corporate donor that responded by volunteering and enlisting their contacts in the construction industry to assist with the improvement project. In addition, Rebuilding Together Oakland, a local non-profit corporation, also coordinated support for the project by leveraging dozens of volunteers to help with the necessary improvements.

**KEY ISSUES AND IMPACTS**

The proposed contract with Pulte Homes represents a portion of Pulte’s overall costs related to the project, which was approximately \$325,000. Since the work was done without a competitively bid contract, it is necessary under the City’s public works contracting rules for the Council to waive advertising and competitive bidding in order to enter into a contract to reimburse Pulte Homes for a portion of the work they performed. Under the City’s rule, Council may waive competitive bidding requirements if it finds that that a waiver is in the best interests of the City. By waiving the City’s advertising and competitive bid process and entering into a contract with Pulte Homes for \$121,000, the City will have leveraged a larger contribution and donation from Pulte Homes with an estimated value of \$204,000. The proposed contract covers various construction, labor and material expenses

which were utilized to help improve the interior, exterior and make site improvements at the facility. Additional expenses also included costs related to: design; management; overhead; utilities; and mobilization expenses. Some of the specific interior and tenant improvement related costs associated with the overall project included demolition, foundation, insulation, doors, casework, countertops, windows, flooring, painting, plumbing, and electrical. Exterior and site related improvements include demolition, walkways, landscaping, gate repairs, exterior doors, stucco, exterior painting, tile work and lighting.

## **SUSTAINABLE OPPORTUNITIES**

### ***Economic:***

The project has improved a public facility that serves an East Oakland neighborhood. The project removed physical blight and thus made the neighborhood area more attractive to current and prospective residents, tenants and businesses that can provide employment within Oakland.

### ***Environmental:***

No negative environmental impacts are anticipated. The improvements to the exterior were substantial which provides a better aesthetic appeal for the neighborhood and the surrounding area. The project utilized green building practices throughout the entire improvement process.

### ***Social Equity:***

The project provides a positive stimulus to a public facility which provides direct access to neighborhood students and teens of the local schools, and benefits the larger resident population of Oakland.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

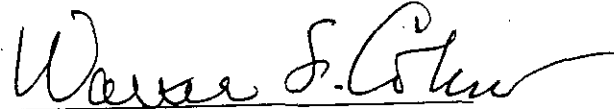
As a public facility the project considered the access of all, including senior citizens and the disabled. The project complied with all city, state, and federal requirements, including the American with Disabilities Act (ADA).

## **ACTION REQUESTED OF THE CITY COUNCIL**

By waiving the advertising and competitive bid process, the proposed contract with Pulte Homes will be used to pay for a portion of Pulte's overall improvement expenses related to the entire project. Staff recommends that the Council waive the advertising and competitive bid process and recognize and accept the substantial donation and contribution made by Pulte Homes towards this public facility. By approving the waiver and cooperating in the private, non-profit and public partnership it becomes possible for the City to leverage and realize other civic contributions from potential donors in the future.

In view of the overall benefits of this innovative Rainbow Teen Center project, staff recommends that Council adopt the attached resolution awarding a contract to Pulte Homes in an amount not to exceed \$121,000 for improvements at the Rainbow Teen Center, waiving competitive bidding and advertising requirements for this project, and accepting the donation of construction improvements from Pulte Homes with an estimated value of \$204,000.

Respectfully submitted,



Walter Cohen  
Director  
Community and Economic Development Agency

Reviewed by:  
Gregory D. Hunter, Deputy Director of Economic Development  
and Redevelopment

Prepared by:  
Larry Gallegos, Coliseum Redevelopment Area Manager,  
Redevelopment Division

FORWARDED TO  
PUBLIC WORKS COMMITTEE:



Office of the City Administrator

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2010 DEC 23 PM 6:01

Approved as to Form and Legality

  
Oakland City Attorney's Office

## OAKLAND CITY COUNCIL

Resolution No. \_\_\_\_\_ C.M.S.

### INTRODUCED BY COUNCILMEMBER

**RESOLUTION WAIVING ADVERTISING AND BIDDING REQUIREMENTS AND AWARDING A CONTRACT FOR THE CONSTRUCTION OF THE RAINBOW TEEN CENTER AT 5818 INTERNATIONAL BOULEVARD TO PULTE HOMES IN AN AMOUNT NOT TO EXCEED \$121,000, AND ACCEPTING A DONATION OF \$204,000 IN LABOR AND MATERIALS FROM PULTE HOMES FOR THE RAINBOW TEEN CENTER PROJECT**

**WHEREAS**, the City of Oakland acquired the former child care and medical facility at 5818 International Boulevard with Redevelopment Agency funds in 2007 to provide a Rainbow Teen Center with a kitchen and recording and television training studios for Central East Oakland teens as part of the Oakland program to increase youth recreation activities; and

**WHEREAS**, the City of Oakland would likely spend \$325,000 to replicate the labor, materials and improvements installed at the City of Oakland Rainbow Teen Center; and

**WHEREAS**, Pulte Homes coordinated a team of contractors in conjunction with Rebuilding Together Oakland by pooling the skills and donations of a group of contractors to contribute \$204,000 in labor and materials and equipment; and

**WHEREAS**, Pulte Homes has submitted invoices to the Agency for reimbursement of \$121,000 to pay for 40% of the cost of specific labor and materials that they have supplied toward the construction of the Rainbow Teen Center; and

**WHEREAS**, since the work was done without a competitively bid contract, it is necessary under the City's public works contracting rules for the Council to waive advertising and competitive bidding in order to enter into a contact to reimburse Pulte Homes for a portion of the work they performed; and

**WHEREAS**, the Oakland Municipal Code authorizes the Council to dispense with advertising and the fixed, sealed bidding process upon a finding that it is in the best interests of the City to waive the requirements, and staff recommends that it is in the best interests of the City to waive these requirements for the improvements constructed by Pulte Homes at the Rainbow Teen Center; and

**WHEREAS**, the Redevelopment Agency has contributed funds from the Neighborhood Projects Initiative program to the City to the partial costs of the Teen Center improvements; and

**WHEREAS**, staff has ascertained that the materials supplied by the contractor will be or are in compliance with state and local product requirements for publicly-owned facilities; and

**WHEREAS**, staff has ascertained that the contractor has complied with all state and local laws applicable to public works of improvement, including payment of prevailing wages, and has obtained the types and amounts of insurance required by the City for a project of this type; and

**WHEREAS**, the contract is of a temporary and technical nature and shall not result in the loss of employment or salary of any person having permanent status in the competitive services; now, therefore, be it

**RESOLVED:** That pursuant to Oakland Municipal Code Section 2.04.050.1.5 and the reasons stated in the City Administrator's report accompanying this item and above, the City Council finds that it is in the City's best interests to waive the advertising and bidding requirements of the Oakland Municipal Code for this contract; and be it

**FURTHER RESOLVED:** That the contract for installation of the Rainbow Teen Center interior and exterior improvements is hereby awarded to Pulte Homes in an amount not to exceed \$121,000; and be it

**FURTHER RESOLVED:** That the City Council hereby accepts the donation of \$204,000 in labor and materials for the Rainbow Teen Center from Pulte Homes as part of the Rebuilding Together Oakland community project; and be it

**FURTHER RESOLVED:** That the contract shall be reviewed and approved for form and legality by the City Attorney's Office and filed in the office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - DE LA FUENTE, KERNIGHAN, NADEL, BROOKS, REID, SCHAAF, KAPLAN,  
AND PRESIDENT BRUNNER

NOES -  
ABSENT -  
ABSTENTION -

ATTEST:

\_\_\_\_\_  
LATONDA SIMMONS  
City Clerk and Clerk of the Council of  
the City of Oakland, California