

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK

2006 APR 25 PM 9:33

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: May 9, 2006

RE: **Resolution Rejecting All Bids For The Clinton Park Playground Renovations Project (No. G250910) And Authorizing The City Administrator, Or Her Designee, To Revise The Specifications And Re-Bid And, If Bidding Is Again Unsuccessful, To Negotiate A Construction Contract Within Budget**

SUMMARY

A resolution has been prepared to reject all bids for the Clinton Park Playground Renovations Project (Project G250910). The resolution also authorizes the City Administrator, or her designee, to re-bid the project, and to negotiate, if necessary, a construction contract within budget. Upon the successful re-bid or negotiation of a construction contract, staff will return to Council for approval to award the contract. The contract will require compliance with the City's Local/Small Local Business Enterprise Program (L/SLBE), the local trucking requirement, and local employment requirements.

On December 19, 2005, the City Clerk received three bids for the project. The Base Bids ranged from \$365,665.00 to \$452,000.00. The total bid amounts, after the bid alternates were included, ranged from \$353,165.00 to \$437,585.00. All three bids should be rejected because they substantially exceed the City's construction estimate of \$190,000.00 for the total bid. The scope of the project is to replace the children's playground equipment and play surfaces, fencing, landscaping and irrigation, lighting and drinking fountain.

This project fulfills the Mayoral and City Council goal and objective to "Build Community and Foster Livable Neighborhoods" by providing for clean, well-maintained and accessible parks and recreational facilities. The project is located in Council District 2.

FISCAL IMPACT

Funding is available for this project from the following sources:

1. \$140,000.00 Roberti-Z'berg-Harris Block Grant Program Funds from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 Fund (2134), Capital Project Management Organization (92270), Clinton Park Tot Lot Renovation Project (G250910);
2. \$35,000.00 State of California Department of Housing and Community Development's Workforce Housing Incentive Grant Program Fund (2144), Clinton Park Tot Lot (Project No. to be determined) appropriated pursuant to Resolution No. 79110 C.M.S.;

Item: _____
Public Works Committee
May 9, 2006

- (2144), Clinton Park Tot Lot (Project No. to be determined) appropriated pursuant to Resolution No. 79110 C.M.S.;
3. \$15,000.00 Capital Improvement Fund (5500), Capital Project Management Organization (92270), District 2 Pay-Go Project (B00610).

This resolution only approves the rejection of bids and the authority to re-bid the project and to negotiate if the re-bid process is unsuccessful. A subsequent resolution will be submitted for the approval of a construction contract. Contract Compliance and Public Art fees have previously been allocated. There will be no additional operations and maintenance costs as a result of this project.

BACKGROUND

On December 19, 2005, the City Clerk received three bids for the project. The bid prices are as follows:

	<u>Base Bid</u>	<u>Total Bid with Alternates</u>
1. McGuire and Hester	\$365,665.00	\$353,165.00
2. Bay Construction	\$382,900.00	\$374,800.00
3. G & G Builders, Inc.	\$452,000.00	\$437,585.00

All three bids should be rejected because they substantially exceed the City's construction estimate of \$190,000.00 total bid. The base bid from Bay Construction was awarded a 5% bid discount and emerged as the lowest bidder. Bay Construction met the 20% L/SLBE requirement. McGuire and Hester, the second lowest bidder, did not meet the minimum 20% L/SLBE participation and local trucking requirements. G & G Builders, Inc., did not meet the local trucking requirements and is not in compliance with the Equal Benefits Ordinance. The L/SLBE information has been verified by the Contract Compliance and Employment Services Division of the City Administrator's Office and is shown on *Attachment A*.

PROJECT DESCRIPTION

Clinton Park is located in the Eastlake district and bounded by International Blvd., East 12th Street, 6th Ave., and 7th Ave. Renovations are necessary to replace aging play equipment and surfacing that is not accessible for children with disabilities. In addition, the park lacks an operational drinking fountain. The project will serve more children of varying ages by expanding the play opportunities with separate play structures, including swings, for two age groups. Specifically, the improvements will include new rubberized play surfacing, walkways, fencing, lighting, benches, a drinking fountain, landscaping, and play structures and swing sets for two separate age groups.

KEY ISSUES AND IMPACTS

Staff requests authorization to reject all bids, to re-bid the project, and to negotiate, if necessary, a construction contract within budget. The contract will require compliance with all of the City's programs.

According to the project landscape architect, increased material costs and other inflationary factors to the overall construction industry are in part responsible for the high bid amounts. Based upon a preliminary analysis of the construction bids, staff will consider the following potential scope reductions in order to meet the construction budget:

1. Reduce amount of concrete paving and simplify paving pattern.
2. Delete all irrigation and landscaping from scope.
3. Modify and simplify fencing design.
4. Revise size and quantity of new area lighting.

These potential scope reductions have been discussed and prioritized with Parks and Recreation staff and, if implemented, would not have a significantly adverse effect on the design and program goals of the project.

In the event that the new bids are non-responsive again, staff recommends negotiating a contract within budget starting with the lowest bidder because the formal bid process takes three to four months and bidding the project a third time will not necessarily provide any different bid results. 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.

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 will take into consideration green building technologies, and to the extent feasible, will recycle materials and debris. The new rubber play surface is made from recycled tires.

Social Equity: The project will provide upgraded recreational facilities for neighborhood children and their families.

DISABILITY AND SENIOR CITIZEN ACCESS

All new physical improvements will comply with the Americans with Disabilities Act (ADA). The project will improve accessibility to persons with disabilities with ADA compliant play surfaces and equipment. The new drinking fountain will also be accessible.

RECOMMENDATION (S) AND RATIONALE

It is recommended that the City Administrator, or her designee, be authorized to reject all bids, to re-bid the project, and to negotiate, if necessary, a construction contract within budget for the Clinton Park Playground Renovations Project. Staff will return to Council for the approval to award the construction contract.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

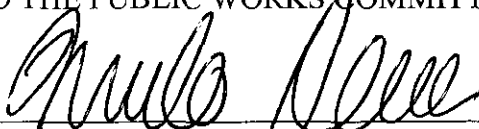


RAUL GODINEZ II, P.E.
Director, Public Works Agency

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

Prepared by:
Calvin Hao, AIA
CIP Coordinator
Project Delivery Division

APPROVED AND FORWARDED
TO THE PUBLIC WORKS COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR

ATTACHMENT:

Attachment A - Contract Compliance Review and Information



OFFICE OF THE CITY ADMINISTRATOR

Contract
Compliance & Employment Services Division

Memo

2006 FEB -3 PM 2:11
 OFFICE OF THE CITY ADMINISTRATOR

TO: Gwen McCormick, PWA Contract Administration
FROM: Shelley Darensburg, CCO, CC&ES
THROUGH: Deborah Barnes, CC&ES Manager
CC: Calvin Hao, Project Manager
DATE: February 3, 2006
SUBJECT: Clinton Square Park Project, Project # G250910

Contract Compliance & Employment Services is in receipt of three bids/proposals for the above referenced project. Below, please find a compliance evaluation for the 20% minimum participation requirement and a preliminary review for compliance with the Equal Benefits Ordinance (EBO).

The local/small local compliance findings are as follows:

	Company Name	Bid Amount	Proposed Participation						Banked Credits Eligibility?	EBO Compliant? (Y/N)	
			Total L/SLBE	LBE	SLBE	Trucking	Total L/SLBE Credited	Adjusted Bid Amount			Points
1	Bay Construction	\$382,900	70%	70%	70%	100%	70%	\$363,755	5	2	Y
2	McGuire & Hester	\$365,665	58%	58%	0%	0%	0%	n/a	0	0	Y
3	G & G Builders Inc.	\$452,000	20%	0%	20%	0%	20%	n/a	0	0	N
4											
5											

As noted above, Bay Construction was awarded a 5% bid discount and emerged as the lowest bidder. Bay Construction exceeded the minimum 20% requirement. Bay Construction is in compliance with the EBO.

McGuire & Hester, second lowest bidder, did not meet the minimum 20% L/SLBE requirement. They failed to allocate 10% of the total contract amount to an SLBE and did not award a minimum of 20% of the trucking dollars to a certified local trucker(s). McGuire & Hester is in compliance with the EBO.

G&G Builders, Inc., the third lowest bidder met the minimum 20% L/SLBE requirement but failed to list a dollar amount for Williams Trucking, their listed trucker and therefore, is not in compliance with the 20% L/SLBE trucking requirement. Further G&G Builders is not in compliance with the EBO.

If you have any questions or need additional information, please contact the Shelley Darensburg the Contract Compliance Officer assigned to this project at 238-7325.

Contract Compliance and Employment Services Evaluation Form

Project No.: G250910

Project Name: Clinton Park Playground Renovations

Contractor: Bay Construction

Contractor's Bid Amount: \$382,900

Engineer's Estimate: \$190,000

Over/Under the Engineers Estimate: -\$192,900

Bid Discounted Amount: \$19,145

Discount Points: 5%

Discounted Bid Price: \$363,755

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

2. Did the contractor meet the 20% requirement? **Yes**

a) % of LBE **0%**

b) % of SLBE **70%**

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

a) % of Local Trucking **100%**

4. Did the contractor receive 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.

2/3/2006

Reviewing

Officer: Shelley Darenburg

Date: 2/3/2006

Approved By: Edward Bowen

Date: 2/3/06

LBE/SLBE Participation

Bidder 1

Project Name: Clinton Park Playground Renovations

Project No.: G250910		Engineers Est: \$190,000				Under/Over Engineers Estimate: -\$192,900						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total L/SLBE	L/SLBE Trucking	Total Trucking	Total Dollars	For Tracking Only (Self-Reported)		
										Ethn.	MBE	WBE
PRIME Play Equipment Safety Surfacing Metal Arch. Trucking Chainlink Fence	Bay Construction	Oakland	CB		264,300	264,300			264,300	AP	264,300	
	Play Works	San Jose	UB						35,500	NL		
	Playgrounds Unlimited	Sunnyvale	UB						39,100	NL		
	J.C. Metal Specialists	SF	UB						18,000	NL		
	Williams Trucking	Oakland	CB		4,000	4,000	4,000	4,000	4,000	AA	4,000	
AAA Fence	Santa Clara	UB							22,000	NL		
Project Totals				\$0	\$268,300	\$268,300	\$4,000	\$4,000	\$382,900		\$268,300	\$0
				0%	70%	70%	100%	100%	100%		70%	0%
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%						Ethnicity AA = African American AP = Asian Pacific Islander C = Caucasian H = Hispanic NA = Native American NL = Not Listed	
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 = Women Business Enterprise								

Contract Compliance and Employment Services Evaluation Form

Project No.: G250910

Project Name: Clinton Park Playground Renovations

Contractor: Mcguire & Hester

Contractor's Bid Amount: \$365,665

Engineer's Estimate: \$190,000

Over/Under the Engineers Estimate: -\$175,665

Bid Discounted Amount: \$0

Discount Points: 0%

Discounted Bid Price: N/A

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

2. Did the contractor meet the 20% requirement? **No**

a) % of LBE **58%**

b) % of SLBE **0%**

3. Did the contractor meet the Trucking requirement? **No**

a) % of Local Trucking **0%**

4. Did the contractor receive bid discount points?
(If yes, list the points received) **No**
0%

5. Additional Comments.

Bidder did not meet the minimum 20% L/SLBE requirement. They failed to award 10% of the contract to an SLBE and they failed to award 20% of the total trucking dollars to a local trucker(s). Therefore, the bid is non-responsive as it relates to the L/SLBE Program.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **2/3/2006**

Reviewing

Officer: Shelley Darenburg

Date: 2/3/2006

Approved By: George Baran

Date: February 3, 2006

LBE/SLBE Participation Bidder 2

Project Name: **Clinton Park Playground Renovations**

Project No.: G250910		Engineers Est: \$190,000				Under/Over Engineers Estimate: -\$175,665						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total L/SLBE	L/SLBE Trucking	Total Trucking	Total Dollars	For Tracking Only (Self-Reported)		
										Ethn.	MBE	WBE
PRIME	Mcguire & Hester	Oakland	CB	210,791		210,791			210,791	C		
Electrical	Hein Lighting & Electric	Concord	UB						25,900	NL		
Safety Surfacing	Totters	Arizona	UB						42,699	NL		
Fencing	Anchor Fence	Day City	UB						34,275	NL		
Landscape	Bauman Landscape	Richmond	UB						52,000	NL		
Project Totals				\$210,791	\$0	\$210,791	\$0	\$0	\$365,665		\$0	\$0
				58%	0%	58%	0%	0%	100%		0%	0%
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%						Ethnicity AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American 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.: G250910

Project Name: Clinton Park Playground Renovations

Contractor: G & G Builders Inc.

Contractor's Bid Amount: \$452,000

Engineer's Estimate: \$190,000

Over/Under the Engineers Estimate: -\$262,000

Bid Discounted Amount: \$0

Discount Points: 0%

Discounted Bid Price: N/A

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

2. Did the contractor meet the 20% requirement? **Yes**

a) % of LBE **0%**

b) % of SLBE **20%**

3. Did the contractor meet the Trucking requirement? **No**

a) % of Local Trucking **0%**

4. Did the contractor receive bid discount points?
(If yes, list the points received) **No**
0%

5. Additional Comments.

The bidder failed to list a dollar amount for the local trucker and therefore is not in compliance with the L/SLBE Program. Further, the bidder is not in compliance with the EBO policy.

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

2/3/2006

Reviewing

Officer: Shelley Darenburg

Date: 2/3/2006

Approved By: Henry [Signature]

Date: 2/3/06

LBE/SLBE Participation

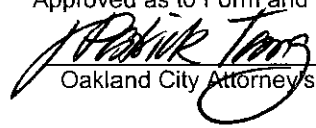
Bidder 3

Project Name: **Clinton Park Playground Renovations**

Project No.: G250910		Engineers Est: \$190,000				Under/Over Engineers Estimate: -\$262,000						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total L/SLBE	L/SLBE Trucking	Total Trucking	Total Dollars	For Tracking Only (Self-Reported)		
										Ethn.	MBE	WBE
PRIME	G & G Builders Inc.	Pleasanton	UB						220,335	C		
Concrete	Vanguard Construction	Oakland	CB		92,241	92,241			92,241	C		
Trucking	Williams Trucking	Oakland	CB							AA		
Landscaping	Green Growth Industries	Pleasanton	UB						43,711	NL		
Fencing	Bailey Fence	Hayward	UB						37,997	NL		
Rubber Surfacing	Tot Turf by Robertson Industries		UB						42,698	NL		
Playground Equ.	Ross Recreation	Santa Rosa	UB									
Electric	Performance Electric	Pleasanton	UB						15,018	NL		
Project Totals				\$0	\$92,241	\$92,241	\$0	\$0	\$452,000		\$0	\$0
				0%	20%	20%	0%	100%	100%		0%	0%
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%						Ethnicity AA = African American AP = Asian Pacific Islander C = Caucasian H = Hispanic NA = Native American 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								

OFFICE OF THE CITY CLERK
OAKLAND
2006 APR 13 AM 9:43

Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION REJECTING ALL BIDS FOR THE CLINTON PARK PLAYGROUND RENOVATIONS PROJECT (NO. G250910) AND AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO REVISE THE SPECIFICATIONS AND RE-BID AND, IF BIDDING IS AGAIN UNSUCCESSFUL, TO NEGOTIATE A CONSTRUCTION CONTRACT WITHIN BUDGET

WHEREAS, on December 19, 2005, three bids were received by the Office of the City Clerk for the Clinton Park Playground Renovations (Project No. G250910) from McGuire and Hester, Bay Construction and G & G Builders, Inc.; and

WHEREAS, all three bids should be rejected because they substantially exceed the construction budget, and two bids do not comply with the City's Local/Small Local Business Enterprise (L/SBLE) and trucking requirements; and

WHEREAS, staff proposes rejecting all three bids and re-bidding the project; and

WHEREAS, in the event that the new bids are non-responsive again, staff recommends negotiating, starting with the lowest bidder, a construction contract within budget; and

WHEREAS, the City's Municipal Code, Title 2, Section 2.04.050 I (5) allows an exception to the competitive bidding process when it is determined that it is not in the best interest of the City to formally bid the work; and

WHEREAS, the contractor will be required to meet the requirements of the City's L/SLBE Program, the Local Trucking Requirements, and the Local Employment Programs; and

WHEREAS, staff will return to Council with a separate resolution to request approval of the construction contract; and

WHEREAS, funding is available for this contract from the following sources: \$140,000.00 from the Roberti-Z'berg-Harris Block Grant Program Funds from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 Fund (2134), Capital Project Management Organization (92270), Clinton Park Tot Lot Renovation Project (G250910); \$35,000.00 from the State of California Department of Housing and Community Development's Workforce Housing Incentive Grant Program Fund (2144), Clinton Park Tot Lot (Project No. to be determined), appropriated pursuant to Resolution No. 79110 C.M.S.; \$15,000.00 from the Capital Improvement Fund (5500), Capital Project Management Organization (92270), District 2 Pay-Go Project (B00610); now therefore, be it

RESOLVED: That the City Administrator, or her designee, is hereby authorized to reject all bids for the Clinton Park Playground Renovations, and to revise the specifications and re-bid the project; and, be it

FURTHER 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 in the event that re-bidding yields non-responsive bids a second time, and hereby authorizes the City Administrator to do so; and, be it

FURTHER RESOLVED: That if the re-bid process is unsuccessful, the City Administrator is authorized to negotiate a contract within budget starting with the lowest bidder.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, QUAN, BROOKS, REID, CHANG, AND
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST:

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