

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

OFFICE OF THE CITY CLERK  
2005 APR 23 PM 3:32

TO: Office of the City Administrator  
ATTN: Deborah Edgerly  
FROM: Public Works Agency  
DATE: May 10, 2005

RE: RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC. FOR THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY CREST, MICHIGAN AND 82<sup>ND</sup> AVENUES AND MACARTHUR BOULEVARD - SUBBASIN 84-112 (PROJECT NO. C158110) FOR THE AMOUNT OF ONE MILLION TWO HUNDRED SEVENTY-ONE THOUSAND FIFTY-ONE DOLLARS (\$1,271,051)

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**SUMMARY**

A resolution has been prepared authorizing the City Administrator to award a construction contract in the amount of \$1,271,051 to Andes Construction, Inc. for the Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and MacArthur Boulevard – Subbasin 84-112 (Project No. C158110). The work to be completed under this project is part of the City’s annual sanitary sewer rehabilitation program. The work is located in Council Districts 6 and 7.

**FISCAL IMPACT**

There are sufficient funds in the project budget for the work. Funding for this project is available in the Sewer Service Fund (3100); Capital Project-Sanitary Sewer Design Organization (92244); Sewers Account (57417); Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard – Subbasin 84-112 Project (C158110). These funds were specifically allocated for this project. The Engineer’s estimate for the work is \$1,537,975.

**BACKGROUND**

On November 15, 2004, the City Clerk received three bids for this project in the amounts of \$1,271,051, \$1,444,235 and \$1,904,000 as shown in *Attachment A*. The lowest responsible bidder, Andes Construction, Inc., is recommended for award.

This project will rehabilitate and upgrade the sanitary sewers within the project area, eliminate the infiltration of rain and groundwater into the sanitary sewer system and limit the overflows and backups during wet weather. This project meets the Mayor/Council Goals and Citywide

Objective to maintain and enhance Oakland's physical assets by providing for well-maintained sanitary sewer systems.

In general, the proposed work consists of rehabilitating/replacing approximately 18,900 linear feet of existing sewer pipes ranging from 8" to 12" diameter; rehabilitating or replacing over 60 sewer structures; reconnecting house connection sewers; rehabilitating house connection sewers; and other related works as indicated on the plans and specifications.

Under the proposed contract with Andes Construction, Inc., SLBE participation of \$1,271,051 (100%) exceeds the City's 20% LBE/SLBE goal. The contractor shows \$35,000 (100%) for trucking that exceeds the 20% Local Trucking participation goal. The contractor received 5% credit for LBE/SLBE preference, or \$63,552.55, that made the adjusted bid amount \$1,207,498.45. 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 June 2005 and should be completed by December 2005. The contract specifies \$1,000 in liquidated damages per working day if the contract completion time of 120 working days is exceeded. The project schedule is shown in *Attachment A*.

### **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 replacement of the sanitary sewers will eliminate the possibility of sewer leakage and overflows and thus prevent potential harm to groundwater 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.

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 \$1,271,051 for the Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and MacArthur Boulevard – Subbasin 84-112 (Project No. C158110). 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,

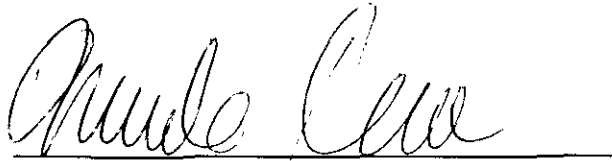


**RAUL GODINEZ II, P.E.**  
Director, Public Works Agency

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*

**Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup>  
 Avenues and MacArthur Boulevard – Subbasin 84-112  
 (Project No. C158110)**

**List of Bidders**

Company	Status	Location	Bid Amount
Andes	SLBE	Oakland	\$1,271,051
D'arcy & Harty		San Francisco	\$1,444,235
K.J. Woods		San Francisco	\$1,904,000

**Project Schedule**

ID	Task Name	Start	Finish	2004				2005				2006			
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1			
1	<b>Project No. C158110</b>	<b>Mon 3/8/04</b>	<b>Mon 12/5/05</b>												
2	Pre-Design	Mon 3/8/04	Mon 7/5/04												
3	Design	Tue 7/6/04	Fri 11/12/04												
4	Bid/Award	Mon 11/15/04	Tue 5/10/05												
5	Contract Execution	Wed 5/11/05	Wed 6/1/05												
6	Construction	Thu 6/2/05	Mon 12/5/05												

*Attachment B*

**Contract Compliance and  
Employment Services Division  
Office of the City Manager**

# Memorandum

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**Date:** December 8, 2004  
**From:** Deborah Barnes - CCES Manager *Deborah Barnes*  
**To:** Gwen McCormick, PWA Contract Administration Supervisor  
**Regarding:** Rehabilitation of Sanitary Sewer in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (sub-basin 84-112) *C158110*

Contract Compliance and Employment Service reviewed three (3) bids received in response to the above referenced project. Following is the outcome of our analysis:

<u>Contractors</u>	<u>LBE</u>	<u>SLBE</u>	<u>Trucking</u>	<u>Total</u>
Andes Construction	0%	100%	100%	100%
D'arcy & Harty Construction	1.38%	18.83%	100%	20.22%
K.J. Woods Construction	.84%	19.17%	100%	20.01%

The following shows bid discounts awarded for achieving and/or exceeding the 20% L/SLBE requirement:

<u>Contractor</u>	<u>Bid Discount Allocated</u>	<u>Contractor's Bid</u>	<u>Ajusted Bid</u>
Andes Construction	5%	\$1,271,051	\$1,207,498.45
D'arcy & Harty Construction	2%	\$1,444,235	\$1,415,350.30
K.J. Woods Construction	2%	\$1,904,000	\$1,865,920

CC: Attachments

**Contract Compliance and Employment Services Evaluation Form**

**Project No.:** C158110

**Project Name:** Rehabilitation of Sanitary Sewers in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (Sub-Basin 84-112)

**Contractor:** Andes Construction

**Contractor's Bid Amount:** 1,271,051.00

**Engineer's Estimate:** 1,537,975.00

**Over/Under the Engineers Estimate:** 266,924.00

**Bid Discounted Amount:** \$63,552.55

**Discount Points:** 5%

**Discounted Bid Price:** \$1,207,498.45

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>100.00%</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? YES  
(If yes, list the points received) 5%

5. Additional Comments.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. 12/8/2004

Reviewing  
Officer:



Date: 12/8/2004

Approved By:



Date: 12/9/04

# LBE/SLBE Participation Bidder 1

**Project Name:** Rehabilitation of Sanitary Sewers in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (Sub-Basin 84-112)

Project No.: C158110		Engineers Estimate: 1,537,975.00				Under/Over Engineers Estimate: 266,924.00					
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	LOCAL TRUCKING	TOTAL LBE/SLBE	TOTAL Dollars	For Tracking Only		
									Ethn.	MBE	WBE
PRIME Sawcut Trucking	Andes Construction	Oakland	CB		1,231,051.00			1,231,051.00	H	\$1,231,051.00	
	Bayline Construction	Oakland	CB		5,000.00			5,000.00	H	\$5,000.00	
	Foston Trucking	Oakland	CB		35,000.00	35,000.00	35,000.00	35,000.00	NL		
<b>Project Totals</b>				0.00	1,271,051.00	35,000.00	35,000.00	1,271,051.00		\$1,236,051.00	\$0.00
				0.0%	100.00%	100.00%	100.00%				
<b>Requirements:</b> The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				<b>LBE 10%</b>	<b>SLBE 10%</b>	<b>TRUCKING 20%</b>	<b>LBE/SLBE 20%</b>	<b>Ethnicity</b> AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed			
<b>Legend</b>				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.: C158110

Project Name: Rehabilitation of Sanitary Sewers in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (Sub-Basin 84-112)

Contractor: D'arcy & Harty

Contractor's Bid Amount: 1,444,235.00

Engineer's Estimate: 1,537,975.00

Over/Under the Engineers Estimate: 93,740.00

Bid Discounted Amount: \$28,884.70

Discount Points: 2%

Discounted Bid Price: \$1,415,350.30

1. Did the 20% requirements apply? YES

2. Did the contractor meet the 20% requirement? YES

a)	% of LBE	<u>1.38%</u>
b)	% of SLBE	<u>18.83%</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? Yes  
(If yes, list the points received) 2%

5. Additional Comments.

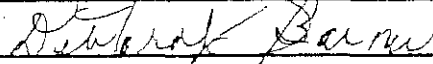
6. Date evaluation completed and returned to Contact Admin./Initiating Dept. 12/8/2004

Reviewing  
Officer:



Date: 12/8/2004

Approved By:



Date:

12/8/04

# LBE/SLBE Participation

## Bidder 2

**Project Name:** Rehabilitation of Sanitary Sewers in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (Sub-Basin 84-112)

Project No.: C158110		Engineers Estimate: 1,537,975.00				Under/Over Engineers Estimate: 93,740.00					
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	LOCAL TRUCKING	TOTAL LBE/SLBE	TOTAL Dollars	For Tracking Only		
									Ethn.	MBE	WBE
<b>PRIME</b>	D'arcy & Harty	SF	UB					1,152,235.00	C		
Sawcut	Bayline Construction	Oakland	CB	20,000.00			20,000.00	20,000.00	H	\$20,000.00	
Trucking	Williams Trucking	Oakland	CB		40,000.00	40,000.00	40,000.00	40,000.00	AA	\$40,000.00	
Supplier	General Supply	Oakland	CB		100,000.00		100,000.00	100,000.00	AA	\$100,000.00	
Restoration	AJW Construction	Oakland	CB		132,000.00		132,000.00	132,000.00	H	\$132,000.00	
<b>Project Totals</b>				20,000.00	272,000.00	40,000.00	292,000.00	1,444,235.00		\$292,000.00	\$0.00
				1.4%	18.83%	100.00%	20.22%				
<b>Requirements:</b> The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				<b>LBE 10%</b>	<b>SLBE 10%</b>	<b>TRUCKING 20%</b>	<b>LBE/SLBE 20%</b>		<b>Ethnicity</b> AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed		
<b>Legend</b>				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.: C158110

Project Name: Rehabilitation of Sanitary Sewers in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (Sub-Basin 84-112)

Contractor: K.J. Woods Construction

Contractor's Bid Amount: 1,904,000.00

Engineer's Estimate: 1,537,975.00

Over/Under the Engineers Estimate: -366,025.00

Bid Discounted Amount: \$38,080.00

Discount Points: 2%

Discounted Bid Price: \$1,865,920.00

1. Did the 20% requirements apply? YES

2. Did the contractor meet the 20% requirement? YES

a)	% of LBE	<u>0.84%</u>
b)	% of SLBE	<u>19.17%</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? YES  
(If yes, list the points received) 2%

5. Additional Comments.

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. 12/8/2004

Reviewing Officer:



Date: 12/8/2004

Approved By:



Date:

12/9/04

# LBE/SLBE Participation Bidder 3

**Project Name:** Rehabilitation of Sanitary Sewers in the area bounded by Crest, Michigan and 82nd Avenues and MacArthur Boulevard (Sub-Basin 84-112)

<b>Project No.:</b> C158110		<b>Engineers Estimate:</b> 1,537,975.00			<b>Under/Over Engineers Estimate:</b> -366,025.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	LOCAL TRUCKING	TOTAL LBE/SLBE	TOTAL Dollars	For Tracking Only		
									Ethn.	MBE	WBE
<b>PRIME</b>	K.J. Woods Construction	SF	UB					1,430,000.00	C		
Trucking	S&S Trucking	Oakland	CB		256,000.00	256,000.00	256,000.00	256,000.00	H	\$256,000.00	
Sawing	Bay Line Construction	Oakland	CB	16,000.00			16,000.00	16,000.00	H	\$16,000.00	
Excavation	Peak Engineering	Oakland	CB		109,000.00		109,000.00	109,000.00	NL		
Lining	Pacific Liners	Vacaville	UB					93,000.00	NL		
<b>Project Totals</b>				16,000.00	365,000.00	256,000.00	381,000.00	1,904,000.00		\$272,000.00	\$0.00
				0.8%	19.17%	100.00%	20.01%				
<b>Requirements:</b> The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				<b>LBE 10%</b>	<b>SLBE 10%</b>	<b>TRUCKING 20%</b>	<b>LBE/SLBE 20%</b>		<b>Ethnicity</b> AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed		
<b>Legend</b>				<b>LBE = Local Business Enterprise</b> <b>SLBE = Small Local Business Enterprise</b> <b>Total LBE/SLBE = All Certified Local and Small Local Businesses</b> <b>NPLBE = NonProfit Local Business Enterprise</b> <b>NPSLBE = NonProfit Small Local Business Enterprise</b>				<b>UB = Uncertified Business</b> <b>CB = Certified Business</b> <b>MBE = Minority Business Enterprise</b> <b>WBE = Women Business Enterprise</b>			

# OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_

C. M. S.  
OFFICE OF THE CITY CLERK  
CITY OF OAKLAND

INTRODUCED BY COUNCILMEMBER \_\_\_\_\_

2005 APR 28 PM 3:32

Requires two-thirds vote of the Council



RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC. FOR THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY CREST, MICHIGAN AND 82<sup>ND</sup> AVENUES AND MACARTHUR BOULEVARD – SUB-BASIN 84-112 (PROJECT NO. C158110) FOR THE AMOUNT OF ONE MILLION TWO HUNDRED SEVENTY-ONE THOUSAND FIFTY-ONE DOLLARS (\$1,271,051)

**WHEREAS**, on November 15, 2004, 3 bids were received by the Office of the City Clerk of the City of Oakland for the Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and MacArthur Boulevard – Subbasin 84-112 (Project No. C158110); and

**WHEREAS**, Andes Construction, Inc. a certified SLBE bidding as a prime with 5% bid discount, 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 Project-Sanitary Sewer Design Organization (92244); Sewers Account (57417); Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and MacArthur Boulevard – Subbasin 84-112 Project (C158110) 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 goals; 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 Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and MacArthur Boulevard – Subbasin 84-112 (Project No. C158110) is hereby awarded to Andes Construction, Inc. in accordance with the terms of its bid therefore, dated November 15, 2004, for the amount of One Million Two Hundred Seventy-One Thousand Fifty-One Dollars (\$1,271,051); 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, \$1,271,051, 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, \$1,271,051, 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, \_\_\_\_\_, 2005

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

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

LATONDA SIMMONS

Interim City Clerk and Interim Clerk of the  
Council of the City of Oakland, California