



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: G. Harold Duffey
Director, Oakland Public
Works

SUBJECT: Award Construction Contract for Main
Library Improvement

DATE: November 13, 2023

City Administrator Approval


Jestin Johnson (Nov 30, 2023 21:58 PST)

Date: Nov 30, 2023

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To 1) Reject All Bids, Waiving Further Advertising And Competitive Bidding, And To Negotiate, Award, And Execute A Construction Contract Without Return To Council For An Amount Not To Exceed Four Million Seven Hundred Thousand Dollars (\$4,700,000) In The Open Market For The Construction Of The Main Library Improvement Project (Project No. 1004859), In Accordance With Project Plans And Specifications; And 2) Adopt Appropriate California Environmental Quality Act (CEQA) Findings.

EXECUTIVE SUMMARY

Approval of the proposed resolution will authorize the City Administrator to reject all bids, waiving further advertising and competitive bidding, and negotiate, award, and execute a construction contract without return to council for an amount not to exceed Four Million Seven Hundred Thousand Dollars (\$4,700,000) for the construction of the Main Library Improvement Project (Project); and adopt appropriate California Environmental Quality Act (CEQA) findings.

The Project is located at 125 14th Street in Council District 3 (formerly District 2; see **Attachment A** – Project Location Map). The library improvements work consists of maintenance and systems upgrades, including the replacement of electrical sub-panels throughout the building; replacement of lighting in the main entry lobby, reading room, and mezzanine office space; replacement of lighting controls at the reading room; cleaning of flooring and painting in select areas of the building interior; replacement of select exterior doors; replacement of boiler controls; addition of heating, ventilation and air conditioning (HVAC) split system to community room; addition of power and data to select areas; addition of ornamental security fence and gates at building exterior; addition of U.V. resistant film to select windows; replacement of reading room window coverings; and repair or replacement of the private sewer lateral as required by East Bay Municipal Utility District (EBMUD).

The City of Oakland (City) issued a Notice of Inviting Bids for the Project on July 21, 2023, with bids opened on September 28, 2023. Three bids were received. The Department of Workforce and Employment Standards (DWES) conducted an analysis of the bids for compliance with the

City's Local and Small Local Business (L/SLBE) Enterprise Program requirements and found all firms failed to meet the minimum 50% L/SLBE participation requirement.

BACKGROUND / LEGISLATIVE HISTORY

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 May 30, 2017, staff recommended to the City Council the Fiscal Year (FY) 2017-19 Capital Improvement Program (CIP), including projects proposed to be funded with Measure KK bond funds. On June 19, 2017, the City Council approved this list of projects for bond funding with Resolution No. [86773](#) C.M.S. On August 1, 2017, the Measure KK, Series 2017A-1 General Obligation Bond (the "Bond") was funded in the amount of \$62.735 million, of which \$2,350,000 was awarded to the Project. These funds were appropriated in the FY 2017-19 budget.

Additional Measure KK Funding in the amount of \$2,000,000 was approved for the Project 'Phase 2 Renovation' through the FY 2019-21 City Budget process. These projects have been combined into the current Main Library Improvement Project.

The Project was developed in partnership between Oakland Public Library and Oakland Public Works Departments.

The Project was awarded a State Library Grant, authorized through Resolution [89927](#) C.M.S., providing additional funds for the construction contract that will become available once appropriated.

ANALYSIS AND POLICY ALTERNATIVES

This significant Project will advance the Citywide priorities of **holistic community safety** and **vibrant, sustainable infrastructure** by replacing damaged infrastructure and improving the library facility.

The City issued a Notice of Inviting Bids for the project on July 21, 2023. Notifications were distributed by several means, as discussed under the Public Outreach section below. Construction Bids were opened on September 28, 2023. The City Clerk received three bids for the project, as shown in **Attachment B**: Bid Summary and as shown in **Table 1** below.

Table 1: Project Bids Received

Company	Bid Amount
MarCon Builder Inc	\$3,376,791.00
SUN	\$4,366,674.66
Buhler	\$5,408,720.07
Engineer's Estimate – Base Bid	\$3,555,555
Total of 6 Bid Additive Alternates	\$710,156

DWES conducted an analysis of the Bids for compliance with the City's L/SLBE Program requirements and found all firms failed to meet the minimum 50% L/SLBE participation requirement as shown in **Attachment C: Compliance Analysis Memo**, dated October 24, 2023. Therefore, all three firms are non-responsive to L/SLBE program. MarCon Builder and Buhler Commercial are Equal Benefits Ordinance (EBO) compliant.

Pursuant to Oakland Municipal Code (OMC) Section 2.04.050, which requires advertising and competitive bidding for contracts that exceed \$50,000, section 2.04.050.I.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.

The Oakland Public Library has determined that the shutdown of the Main Library for construction must occur between June 1, 2024 and September 30, 2024. The Library Director has determined that this timeframe will have the least impact to their patrons and operations. Additional time will be needed prior to the start of work in June 2024 for the submittal, approval, and procurement process of materials requiring a long-lead time. City Council approval of this proposed resolution is needed to award a contract and start construction by June 1, 2024.

Thus, in accordance with OMC 2.04.050.I.5 and to maintain the project schedule, staff recommends that it is in the City's best interest to waive further advertising and competitive bidding. The City will negotiate to secure a contract in the open market that is within the project budget and meets the City's contract compliance and program requirements.

FISCAL IMPACT

Funding for this construction contract is available in the funding sources shown in **Table 2** below.

Table 2: Main Library Construction Contract Funding

FUNDING	Amount
Measure KK (5335); Award (23940); Capital Projects Organization (92270); Construction Account (57112); Main Library Phase 2 Renovation Project (1004859); Project Delivery Program (IN06)	\$1,700,000
Measure KK (5335); Award (23940); Capital Projects Organization (92270); Construction Account (57112); Main Library Improvement Project (1003451); Project Delivery Program (IN06)	\$1,500,000
Estimated State Library Grant Funds, appropriated into project and grant funds to be determined	\$1,500,000
Total Available Funding	\$4,700,000

The Project was awarded a State Library Grant, authorized through Resolution [89927](#) C.M.S., providing additional funding for the construction contract that will become available once appropriated. Measure KK funding noted above will be utilized as needed to meet the 75% funding match required by the grant.

PUBLIC OUTREACH / INTEREST

For this construction Request for Bids solicitation, OPW-Project & Grant Management Division (OPW-PGM) worked with OPW-Capital Contracts Division (OPW-CCD) and DWES to conduct public outreach through enhanced notifications, legal ads, and a pre-proposal meeting.

As part of the enhanced notification and OPW’s Capital Contract Equity Initiative, public outreach engagement includes professional organizations representing women-owned and African American-owned firms, groups identified in the 2019 Mason Tillman Disparity Study as firms not receiving a proportional amount of contracting dollars from the City.

Specifically, OPW-CCD shares notifications with an established disparity outreach list of local women-owned, African American-owned, and other global majority associations, such as the National Association of Women Business Owners and the National Black Contractors Association of California.

The City’s iSupplier system also distributed notifications of solicitations to Oakland- certified local and non-local contractors; regional trade and business groups, including the Oakland Metropolitan Chamber of Commerce, Oakland Black Board of Trade & Commerce, Bay Area Business Roundtable, and the Construction Bidboard. Within a few days of registering in iSupplier, contractors can access and review proposal requests in this system by searching for specific projects based on the North American Industry Classification System (NAICS) code.

In addition to iSupplier and the established disparity outreach list, OPW-CCD also utilizes [CIPList.com](https://www.ciplist.com), a free, web-enabled site used to announce and distribute solicitations through push notifications to plan rooms and builders' exchanges such as ARC North America, Builders Exchange of Alameda County, Contra Costa Builders Exchange, Dodge Data & Analytics, East Bay Blueprint, East Bay Blueprint, iSqFT, Northern California Electrical Construction Industry, Peninsula Builders Exchange, San Francisco Builders Exchange, and Solano-Napa Builders Exchange. Through CIPList.com, any company or entity may register to receive automatic notification of all City of Oakland solicitations without restrictions.

Prior to the start of Project construction, the immediate neighboring residents and establishments affected by the work will be notified of the construction activities and receive Project contact information. Temporary construction fencing, protective mitigation measures, and compliance with the Americans with Disabilities Act (ADA) shall be implemented to minimize disruptions to the public.

COORDINATION

The work to be done under this contract has been coordinated between Oakland Public Library Department, OPW – Bureau of the Environment, Environmental Services and Capital Contracts Divisions, and DWES.

The Project team has worked closely with the Library Department to ensure that the project improvements support their constituents, including underserved communities of Oakland.

The Finance Department has reviewed this report, and the resolution has been reviewed for form and legality by the Office of the City Attorney.

SUSTAINABLE OPPORTUNITIES

Economic: Businesses associated with implementing the Project will receive economic opportunities through contracting for services, construction, materials, and supplies. Completion of the capital improvements can also contribute to economic opportunities for those who utilize the improved facility.

Environmental: Updating the lighting, boiler controls, and HVAC systems at the Library will improve energy efficiency and help the City meet its Equitable Climate Action Plan (ECAP) goals.

Race & Equity: The Main Library is an important resource in a neighborhood that ranks as a high priority in Oakland's Geographic Equity Toolbox. More than 50% of residents live on low incomes, and almost 90% have low educational attainment. This project is an important investment in the future of this library and the community. The Project will support and enhance the efficacy of library programs and the experience of Library patrons by improving lighting, updating outdated heating and cooling infrastructure, and expanding data capacity.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The Project is exempt from CEQA pursuant to CEQA Guidelines Sections 15268 (Ministerial Projects), 15301 (existing facilities), 15183 (Projects Consistent with a Community Plan, General Plan or Zoning), 15302 (Replacement or Reconstruction), 15303 (Small Structures), and/or 15061(b)(3) (No Significant Effect on the Environment). Each of the above exemptions provides a separate and independent basis for CEQA compliance. If applicable, the City Administrator or designee shall file a Notice of Determination/Notice of Exemption with the Clerk of the County of Alameda.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To 1) Reject All Bids, Waiving Further Advertising And Competitive Bidding, And To Negotiate, Award, And Execute A Construction Contract Without Return To Council For An Amount Not To Exceed Four Million Seven Hundred Thousand Dollars (\$4,700,000) In The Open Market For The Construction Of The Main Library Improvement Project (Project No. 1004859), In Accordance With Project Plans And Specifications; And 2) Adopt Appropriate California Environmental Quality Act (CEQA) Findings.

For questions regarding this report, please contact Christine Reed, Project Manager, at (510) 238-6540.

Respectfully submitted,


G. Harold Duffey (Nov 29, 2023 16:03 PST)

G. HAROLD DUFFEY
Director, Public Works

Reviewed by:
Siew-Chin Yeong, Assistant Director
Bureau of Design & Construction

Prepared by:
Christine Reed, CIP Coordinator
Project & Grant Management Division

Attachments (3):

Attachment A – Project Location Map

Attachment B – Bid Summary

Attachment C – Compliance Analysis Memo