

**CITY OF OAKLAND  
COUNCIL AGENDA REPORT**

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2003 OCT -2 PM 1:48

TO: Office of the City Manager  
ATTN: Deborah Edgerly  
FROM: Public Works Agency  
DATE: October 14, 2003

**RE: RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC., FOR THE ON CALL SANITARY SEWERS AND STORM DRAINS EMERGENCY PROJECTS (PROJECT NO. C219530) AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXTEND THE CONTRACT FOR AN ADDITIONAL YEAR FOR THE AMOUNT OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000)**

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**SUMMARY**

A resolution has been prepared authorizing the City Manager to award a construction contract in the amount of \$250,000 to Andes Construction, Inc., (Oakland) for the On Call Sanitary Sewers and Storm Drains Emergency Projects (Project No. C219530) and authorizing the City Manager to negotiate and extend the contract for an additional year for an additional amount of \$250,000.

Funding for this project is included in the \$2.1 million FY2002-03 Capital Improvement Program for cyclic replacement of aging or defective sewers and related structures throughout the City. Each year, the City hires contractors to complete numerous small projects that require the use of equipment, materials, and labor that are not available from the PWA Maintenance Department.

**FISCAL IMPACTS**

There are sufficient funds in the project budget for the work. Funding for this project is available in the Sewer Service Fund (3100); Organization (92244); Account (57417); Project (C219530). The engineer's estimate for the work is \$250,000.

**BACKGROUND**

Each year, the City completes numerous small emergency repairs to its public infrastructure. The City does not have the necessary equipment to perform this work and contracts for its construction. Each contract requires plans, specifications, an engineer's estimate, and bid and contract documents.

To reduce response time and to make the construction process more efficient, three years ago, staff prepared a comprehensive "on-call construction services" project that included the most typical repair work. The project allowed the City to expedite repairs in a timely manner without having to bid each repair with a formal contract. The project was extremely successful, and this contract is a continuance of the program. Staff intends to seek authorization for this program from the Council every year. However, it is recommended that the Council authorizes a one-year extension of the contract, if deemed necessary, to allow for dealing with future emergency projects.

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The contract includes a wide variety of typical public works contract items, such as installing liner in existing sewer pipe, in-place pipe expanding for existing pipe, removing and replacing existing pipe with various pipe material and sizes, reconnecting house connection sewer, constructing appurtenant sewer structures such as manholes and cleanouts, point repairs, pothole for utilities, and miscellaneous concrete work.

Staff prepared bid documents with contract unit quantities for the purposes of comparing bids. Actual quantities and final payments will be based on actual work as directed to be done by the City for an amount of \$250,000. On August 11, 2003, the City Clerk received one bid for the project. The bid, based on assumed unit quantities, was for \$298,877 as shown on *Attachment A*. The responsible bidder, Andes Construction, Inc., (Oakland) with a bid amount of \$298,877, is recommended for award. Staff has reviewed the bid and believes that the unit costs are reasonable for the work anticipated.

#### List of Bidders

Company	Status	Location	Bid Amount
Andes Construction, Inc.	SLBE	Oakland	\$ 298,877

This project meets the Mayor / City Council and Citywide Objectives to Maintain and Enhance Oakland's Physical Assets.

Under the proposed bid from Andes Construction, Inc., the SLBE participation is \$277,810 (100%) and the Local Trucking participation is \$7,500 (100%). Both percentages exceed the City's 50% SLBE and 50 % Local Trucking goals. Also, 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 Manager's Office and is shown in *Attachment B*.

#### KEY ISSUES AND IMPACTS

Construction under this contract is scheduled to begin in October 2003 and be completed by October 2004. The project schedule is shown in *Attachment A*.

Staff has reviewed the submitted bid for this work and determined that the low bid is reasonable.

#### 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 is a citywide program and all residents of Oakland will benefit from this project.

**DISABILITY AND SENIOR CITIZEN ACCESS**

There is no direct impact or benefit to seniors or people with disabilities.

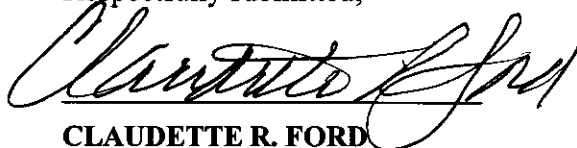
**RECOMMENDATION AND RATIONALE**

It is recommended that the construction contract be awarded to Andes Construction, Inc., the only responsible bidder, in the amount of \$250,000 for the On Call Sanitary Sewers and Storm Drains Emergency Projects. Andes Construction, Inc. has met the local business requirements, and there are sufficient funds in the project account. It is also recommended that the City Council authorize the City Manager to negotiate and extend the contract for another one-year period, if necessary, to save time and effort in dealing with unexpected conditions.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

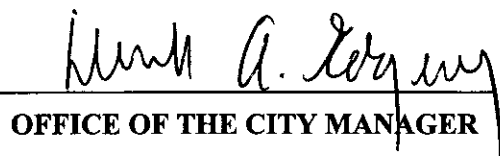


**CLAUDETTE R. FORD**  
Director, Public Works Agency

Reviewed by:  
Raul Godinez II, P.E.  
Assistant Director, Public Works Agency  
Design & Construction Services

Prepared by:  
Fuad Sweiss, Supervising Civil Engineer  
Engineering Design Division

APPROVED AND FORWARDED  
TO THE PUBLIC WORKS COMMITTEE



**OFFICE OF THE CITY MANAGER**

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10/14/03

**On Call Sanitary Sewers and Storm Drains Emergency Projects  
(Project No. C219530)**

**Project Schedule**

ID	Task Name	Start	Finish	2003				2004						
				Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4		
1	<b>C219530-On Call Service Contract</b>	<b>Mon 12/30/02</b>	<b>Fri 10/29/04</b>											
2	Pre-Design	Mon 12/30/02	Fri 1/3/03		100%									
3	Design	Mon 1/6/03	Fri 6/6/03			100%								
4	Bid/Award	Mon 6/9/03	Fri 8/22/03				100%							
5	Contract Execution	Mon 8/25/03	Fri 10/24/03					70%						
6	Construction	Mon 10/27/03	Fri 10/29/04											0%

## APPENDIX B

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

# Memorandum

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**Date:** August 27, 2003

**From:** Deborah Barnes, CC&ES Manager *Deborah Barnes*

**To:** Gwen McCormic, PWA Contract Administration Supervisor

**Regarding:** Compliance Evaluation for On call Sanitary Sewers and Storm Drains Emergency Projects (C219530)

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Contract Compliance & Employment Services reviewed one bid for the above referenced project. The contractor is in compliance with the L/SLBE goal as listed below:

Company Name	LBE	SLBE	Total	Trucking
Andes Construction, Inc.	0%	100%	100%	0%

**CC:** Attachments

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CONTRACT COMPLIANCE AND EMPLOYMENT SERVICES DIVISION  
OFFICE OF THE CITY MANAGER



## Contract Compliance Evaluation Form

Project No.: C219530

Project Name: On Call Sanitary Sewers and Drains Emergency Projects

Bid Opening Date:

Engineer Estimate: \$250,000

Contractor: Andes Construction

Contractor's bid amount: \$298,877

5% credit for LBE/SLBE Preference: <input type="checkbox"/> No	5% of the TOTAL BID Amount: =
5% credit for Joint Venture Preference: <input type="checkbox"/> No	Calculation Amount.: X 5% =
5% credit for Mentor Protégé Preference: <input type="checkbox"/> No	If yes, 5% is added to the overall Total LBE percentage goal.
ADJUSTED LBE % TOTAL:	ADJUSTED BID TOTAL: <u>\$298,877</u>

1. Did the Contractor meet the LBE/SLBE goals?  Yes
  - a) % of LBE participation 0.00%
  - b) % of SLBE participation 100.00%
2. Did the Contractor meet the Trucking goal?  NA
  - a) % of local trucking participation
3. If the goals were not met, did the contractor meet the Good Faith Effort (GFE) requirements?  NA  
(If no, explain reasons for failure to meet GFE.)
4. Date evaluation completed and forwarded to Contract Admin./Initiating Dept. 8/27/2003
5. Is the contractor in compliance with all LBE/SLBE requirements?  Yes (If no, explain below)

Reviewing Officer:

A. Menzies

Date: 8/27/2003

Approved By:

Deborah Buena

Date: 8/27/03

LBE/SLBE PARTICIPATION

Lowest Bidder

Project Name: On Call Sanitary Sewers and Drains Emergency Projects

Engineer Estimate: \$250,000

Bid Amount: \$298,877

Difference: \$48,877

Project No.: C219530

TRADE	Line #	Prime and Subs	LOCATION	Cert. Status	LBE	SLBE	TOTAL LBE/SLBE	Local Trucking	Trucking	TOTAL BID \$ Amount	ETH.	MBE	WBE		
Prime	1	Andes Construction	Oakland	CB		\$296,877	\$296,877			\$296,877.00	H	\$296,877			
Saw Cut	2	Bayline Construction	Oakland	CB		\$2,000	\$2,000			\$2,000.00	H	\$2,000			
Project Subtotals:															
											\$298,877	100%	\$298,877	100.00%	0%

5% credit for LBE/SLBE Preference:  No      Calculation Amount:      X      5%      =

5% credit for Joint Venture Preference:  No

5% credit for Mentor Protégé Preference:  No

If yes, 5% is added to the overall Total LBE percentage goal.

ADJUSTED BID TOTAL: \$298,877

**GOALS:**  
 The 50% ALL LBE goal is a combination of 15% LBE and 35% SLBE participation. An SLBE firm can be counted 100% towards achieving 50% goal. LBE firms can only be counted up to 15% of the total contract amount. The Local Trucking goal is 50% of the ALL trucking contract amount.

**LEGEND:**  
 ALL LBE      All certified Local and Small Local Businesses  
 LBE          Local Business Enterprise  
 SLBE          Small Local Business Enterprise  
 LTRU          Local Trucking Businesses

CB      Certified Business  
 UB      Uncertified Business  
 AA      African American  
 H      Hispanic American  
 A      Asian American

MA      Native American  
 C      Caucasian  
 MBE      Minority Business Enterprise  
 WBE      Woman Business Enterprise

OFFICE OF THE CITY CLERK  
OAKLAND CITY COUNCIL  
RESOLUTION No. \_\_\_\_\_ C. M. S.

INTRODUCED BY COUNCIL MEMBER \_\_\_\_\_  
2003 OCT 2 PM 1:48

Requires two-thirds vote of the Council



**RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC., FOR THE ON CALL SANITARY SEWERS AND STORM DRAINS EMERGENCY PROJECTS AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXTEND THE CONTRACT FOR AN ADDITIONAL YEAR FOR SANITARY SEWERS, STORM DRAINS AND RELATED WORK (CITY PROJECT C219530) FOR THE AMOUNT OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000)**

**WHEREAS**, on August 11, 2003, one bid was received by the Office of the City Clerk of the City of Oakland for the On Call Sanitary Sewers and Storm Drains Emergency Projects C219530; and

**WHEREAS**, Andes Construction, Inc., is the only responsible bidder for the project and has met the SLBE requirements; and

**WHEREAS**, there are sufficient funds in the project budget for work, and the project budget includes \$250,000 for the construction work, and the engineer's estimate for the work is \$250,000; 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; 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 On Call Sanitary Sewers and Storm Drains Emergency Projects is hereby awarded to Andes Construction, Inc., in accordance with the terms of its bid therefore, dated August 11, 2003, for the amount of two hundred fifty thousand dollars (\$250,000); 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

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**FURTHER RESOLVED:** That the amount of the bond for faithful performance, \$125,000, 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, \$250,000, with respect to such work are hereby approved; and be it

**FURTHER RESOLVED:** That the City Manager 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 of said contract; and be it

**FURTHER RESOLVED:** That the City Manager is hereby authorized to negotiate and extend this contract for an additional year for Sanitary Sewers, Storm Drains and Related Work and for an additional amount of \$250,000 and incorporating all other terms and conditions of the contract; 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 approval of this resolution requires a two-thirds vote of the Council members.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2003

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California

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OCT 14 2003