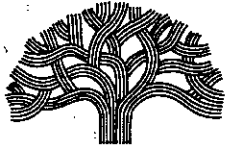


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CITY OF OAKLAND

AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Sara Bedford

SUBJECT: Henry Robinson Rehabilitation Project

DATE: August 20, 2012

City Administrator
Approval

Deanna Santana

Date

8/28/12

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council adopt a resolution authorizing the City Administrator, or her designee 1) reject all bids to the upgrade of the mechanical, electrical, and plumbing (MEP) systems at the Henry Robinson Multi-Service Center (HRMSC) Project (G320020) as non-responsive, 2) to return all bid securities, 3) to re-bid and 4) award a construction contract to the lowest responsible bidder for an amount not to exceed three hundred forty-eight thousand dollars (\$348,000), without returning to Council.

OUTCOME

Authorizing staff's recommendation(s) included in this report will allow the HRMSC MEP system upgrade to move ahead and allow the City to remain on target for meeting the State Emergency Housing and Assistance Program-Capital Development (EHAP-CD) completion deadline of February 2013.

BACKGROUND/LEGISLATIVE HISTORY

On February 20, 2007, the City Council passed a Council resolution authorizing the City Administrator to apply for, accept, and appropriate forgivable capital development loan funding in an amount up to \$1,000,000 from the State EHAP-CD for the rehabilitation of the Henry Robinson Multi Service Center, a city-owned transitional housing facility.

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In January 15, 2008, the City Coimcil passed a Resolution No. 81030 C.M.S. authorizing the City Administrator to execute all contracts and amendments related to the State EHAP-CD for the rehabilitation of transitional housing projects in Oakland.

Subsequent to Council's approval, a formal bid process was undertaken and public advertising was conducted. The lowest bidder did not meet the City's L/SBE requirements. In addition, the next three bids were very high i.e. more than 20% over published engineer's estimate, and over the construction budget plus a 20% contingency (a high contingency in terms of industry practice).

Finally, the Notice Inviting Bids, Bid Submittal sheet notified bidders that exceeding the construction budget would be considered invalid. Therefore, the three high bids are arguably non-responsive and invalid given the high percentage over the engineer's estimate.

ANALYSIS

City Council authorization of staff recommendation included in this Council report and resolution supports objectives of the Oakland PATH Strategy, to increase housing opportunities for homeless persons, prevent homelessness and other housing crisis, deliver flexible services to support stability and independence of the City's homeless and near homeless populations.

Further, City Coimcil's authorization to enter into construction contract to upgrade the mechanical, electrical and plumbing systems at the Henry Robinson Multi Service Center supports the increased success of the Oakland PATH Strategy, potentially resulting in a substantial increase in resources that will benefit the City's homeless and near homeless populations through rapid rehousing, homeless prevention, shelter diversion, benefits and employment assistance and other needed services to assist people living on the streets into safe, stable and healthy housing condition.

The State Emergency Housing and Assistance Program- Capital Development loan funds will be used to fund 80% of the total rehabilitation costs at the HRMSC, and will allow the City, to deliver transitional housing and support services to eligible families striving to prevent their households from becoming homeless or returning to a state of homelessness, as each family works towards the ultimate goal of obtaining stable housing and the resources necessary to maintain housing.

PUBLIC OUTREACH/INTEREST

The City entered into a community engagement process from February through Mid-March of 2012 for the Emergency Solutions Grant (HUD funds for the City's PATH Strategy). These discussions were held in a series of approximately eight meetings between February 1, 2012 – March 15, 2012 convened by the Alameda County EveryOne Home and Entitlement Jurisdictional staff (Oakland included). The HRMSC is a key component of the City's PATH Strategy, is the largest provider to transitional housing in Oakland, the rehabilitation project was vetted in a community process, and once completed will continue to support the City's PATH Strategy to address homeless in Oakland.

On May 1, 2012, the City of Oakland held a public hearing in the City Council Chambers covering the City's 2011-2012 Substantial Amendment to the Consolidated Annual Action Plan and the City's 2012-2013 Consolidated Annual Action Plan. A notice was published in the Oakland Tribune April 9, 2012 announcing the availability of the draft plans and the date, time and purpose of the public hearing. Said plans included 2012-2013 PATH Strategy planned activities. The City satisfied all public review and comment period requirements for the two plans referenced above.

COORDINATION

Coordination has occurred between Public Works Agency, Budget Office, and the City Attorney's Office.

COST SUMMARY/IMPLICATIONS

The State EHAP-CD grant funds for the rehabilitation of the HRMSC, a city-owned facility total \$999,998, of which \$348,000 is set-aside for the upgrades to the mechanical, electrical and plumbing systems.

However, there is a state imposed deadline of February 28, 2013 for all EHAP-CD funds to be spent, and the work i.e. rehabilitation of the HRMSC completed, and a copy of the certificate of occupancy forwarded to the State EHCP-CD program.

SUSTAINABLE OPPORTUNITIES

Economic: As noted in the report, all funds identified in this report are for the purpose of providing housing and services to the homeless to eliminate and prevent homelessness. Such outcomes are achieved through rapid rehousing assistance, homelessness prevention, transitional housing, shelter services, homeless encampment services, outreach and the like.

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Environmental: The provision of housing for at-risk and homeless persons is intended to address the environmental degradation caused by homeless families and individuals precariously housed or living on the streets.

Social Equity: The expenditure of these funds is targeted to the most vulnerable and at-risk populations in this City and is providing essential and basic human services, housing and support.

For questions regarding this report, please contact Stevan Alvarado, Program Analyst II, at 510-238-7753.

Respectfully submitted,



Sara Bedford, Interim Director
Department of Human Services

Reviewed by:
Susan R. Shelton, Manager
Department of Human Services

Prepared by:
Stevan Alvarado, Program Analyst II
Department of Human Services

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Life Enrichment Committee
September 11, 2012

FILED
OFFICE OF THE CITY CLERK
OAKLAND

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OAKLAND CITY COUNCIL

Approved as to Form and Legality


City Attorney

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, (1) TO REJECT ALL BIDS TO UPGRADE THE MECHANICAL, ELECTRICAL AND PLUMBING SYSTEMS AT THE HENRY ROBINSON MULTI SERVICE CENTER (HRMSC) PROJECT (G320020) AS NON-RESPONSIVE, (2) TO RETURN ALL BID SECURITIES, (3) TO RE-BID AND (4) AWARD A CONSTRUCTION CONTRACT TO THE LOWEST RESPONSIBLE BIDDER FOR AN AMOUNT NOT TO EXCEED THREE HUNDRED FORTY EIGHT THOUSAND DOLLARS (\$348,000), WITHOUT RETURNING TO COUNCIL

WHEREAS, the Henry Robinson Multi Service Center (HRMSC) Mechanical Electrical and Plumbing (“MEP”) Project is a much needed project to provide the homeless community with year-round housing options; and

WHEREAS, the City’s bid process was completed and the City did not receive any responsible bids, requiring the City to reject all bids, and return bid securities; and

WHEREAS, it is necessary to expedite the completion of this project prior to the expiration of the State Emergency Housing and Assistance Program-Capital Development (EHAP-CD) Grant Fund in February 2013; and

WHEREAS, there are sufficient funds in the project budget for the construction work and contingencies totaling \$348,000 within the State EHAP-CD Program Grant Fund (G320020); and

WHEREAS, the contractor will be required to meet the requirements of the City’s L/SLBE; now, therefore, be it

RESOLVED, That the City Administrator, or her designee, is hereby authorized to reject all HRMSC MEP bids, and to return all bid securities; and be it

FURTHER RESOLVED, That the City Administrator, or her designee, is hereby authorized to rebid the HRMSC MEP Project; and be it

FURTHER RESOLVED, That the City Administrator, or her designee, is hereby authorized to award a contract for the HRMSC MEP Project to the lowest responsible bidder in accordance with the terms of its bid for an amount not-to-exceed three hundred forty eight thousand dollars (\$348,000) and to execute any amendments or modifications of said contract, within the limitations of the project specifications; and be it

FURTHER RESOLVED, That the City Administrator, or her designee, is authorized, on behalf of the City of Oakland, to negotiate, apply for, accept, submit and execute all documents, including, but not limited to, contacts, amendments, payment requests, reports, and related action for the completion of this project; and be it

FURTHER RESOLVED, That the contract shall be reviewed and approved by the City Attorney for form and legality, and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

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

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California