

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
APR 26 2005
2005 APR 13 PM 6:15

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: April 26, 2005

RE: RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC. FOR THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY MACARTHUR BOULEVARD, PATTERSON AVENUE, REINHARDT DRIVE, CARSON STREET AND MADRONE STREET-SUB-BASIN 81-014 (PROJECT NO. C157910) FOR THE AMOUNT OF ONE MILLION FOUR HUNDRED FIFTEEN THOUSAND SEVENTY-NINE DOLLARS (\$1,415,079)

SUMMARY

A resolution has been prepared authorizing the City Administrator to award a construction contract in the amount of \$1,415,079 to Andes Construction, Inc. for the Rehabilitation of Sanitary Sewers in the Area Bounded by MacArthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street – Sub-basin 81-014 (Project No. C157910). 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 District 4.

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 Projects-Sanitary Sewer Design Organization (92244); Sewers Account (57417); Rehabilitation of Sanitary Sewers in the Area Bounded by MacArthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street-Sub-basin 81-014 Project (C157910). These funds were specifically allocated for this project. The Engineer's estimate for the work is \$1,787,445.

BACKGROUND

On December 13, 2004 the City Clerk received two bids for this project in the amounts of \$1,415,079 and \$1,726,738 as shown in *Attachment A*. Andes Construction, Inc. received a 5% discount as a certified SLBE bidding as a prime for a discounted bid price of \$1,344,325.05 for bid comparison purposes. Therefore, Andes Construction, with the bid price of \$1,415,079, 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. The project continues Oakland's compliance under its sewer permit with the Regional Water Quality Control Board.

In general, the proposed work consists of rehabilitating/replacing approximately 13,800 linear feet of existing 8" and 10" diameter sewer pipes; rehabilitating sewers structures; reconnecting house connection sewers; rehabilitating house connection sewers; and other ancillary work as indicated on the plans and specifications.

Under the proposed contract with Andes Construction, Inc., SLBE participation of \$1,400,079 (98.94%) exceeds the City's 20% LBE/SLBE requirement. The contractor shows \$10,000 (100%) for trucking that exceeds the 20% Local Trucking participation requirement. The contractor received 5% credit for LBE/SLBE preference or \$70,752.95, that made the adjusted bid amount \$1,344,325.05. 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 early 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 \$1,415,079 for the Rehabilitation of Sanitary Sewers in the Area Bounded by Macarthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street – Sub-basin 81-014 (Project No. C157910). Andes Construction 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,

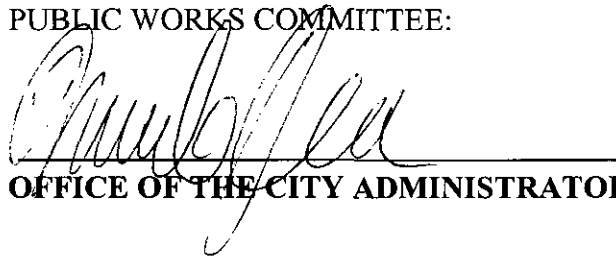


RAUL GODINEZ H, P.E.
Director, Public Works Agency

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 MacArthur Boulevard,
 Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street – Sub-basin 81-014
 (Project No. C157910).**

List of Bidders

Company	Status	Location	Bid Amount
Andes	SLBE	Oakland	\$1,415,079
K.J. Woods		San Francisco	\$1,726,738

Project Schedule

ID	Task Name	Start	Finish	2004				2005					
				Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	
1	Project No. C158110	Mon 3/8/04	Fri 12/2/05										
2	Pre-Design	Mon 3/8/04	Mon 7/5/04										
3	Design	Tue 7/6/04	Fri 12/10/04										
4	Bid/Award	Mon 12/13/04	Tue 4/26/05										
5	Contract Execution	Wed 4/27/05	Tue 5/31/05										
6	Construction	Wed 6/1/05	Fri 12/2/05										

Attachment B

Memorandum

Date: December 23, 2004

From: Deborah Barnes - CCES Manager *DBarnes*

To: Gwen McCormick , PWA Contract Administration Supervisor

Regarding: Rehabilitation of Sanitary Sewer in the area bounded by MacArthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson St and Madrone St. (sub-basin 81-014) *C157910*

Contract Compliance and Employment Service reviewed two (2) 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%	98.94%	100%	98.94%
K.J. Woods Construction	.3%	4.98%	100%	5.27%

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%	\$1,415,079	\$1,344,325.05

CC: Attachments

2004 DEC 23 PM 4: 14
RECEIVED
CONTRACT ADMINISTRATION



Contract Compliance and Employment Services Evaluation Form

Project No.: C157910

Project Name: The Rehabilitation of Sanitary Sewers in the Area Bounded MacArthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street (Sub-Basin 81-014)

Contractor: Andes Construction

Contractor's Bid Amount: 1,415,079.00

Engineer's Estimate: 1,787,445.00

Over/Under the Engineers Estimate: 372,366.00

Bid Discounted Amount: \$70,753.95

Discount Points: 5%

Discounted Bid Price: \$1,344,325.05

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>98.94%</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. **12/23/2004**

Reviewing

Officer: 

Date: 12/23/2004

Approved By: 

Date: 12/23/04

LBE/SLBE Participation Bidder 1

Project Name: The Rehabilitation of Sanitary Sewers in the Area Bounded MacArthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street (Sub-Basin 81-014)

Project No.: C157910		Engineers Estimate: 1,787,445.00			Under/Over Engineers Estimate: 372,366.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	LOCAL TRUCKING	TOTAL LBE/SLBE	TOTAL Dollars	For Tracking Only		
									Ethn.	MBE	WBE
PRIME	Andes Construction	Oakland	CB		1,380,079.00		1,380,079.00	1,380,079.00			
Sawcut	Bayline Construction	Oakland	CB		10,000.00		10,000.00	10,000.00			
Trucking	Foston Trucking	Oakland	CB		10,000.00	10,000.00	10,000.00	10,000.00			
Pipe Bursting	Mocon Corp	Indio	UB					15,000.00			
Project Totals				0.00	1,400,079.00	10,000.00	1,400,079.00	1,415,079.00		\$0.00	\$0.00
				0.0%	98.94%	100.00%	98.94%				
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%	TRUCKING 20%	LBE/SLBE 20%	Ethnicity AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other			
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.: C157910

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: 1,726,738.00

Engineer's Estimate: 1,787,445.00

Over/Under the Engineers Estimate: 60,707.00

Bid Discounted Amount: \$0.00

Discount Points: 0%

Discounted Bid Price: \$1,726,738.00

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

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

a)	% of LBE	<u>0.29%</u>
b)	% of SLBE	<u>4.98%</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? **NO**
(If yes, list the points received) **0%**

5. Additional Comments.

This contractor did not meet the program requirements as noted: "The 20% local business participation requirement must be met with a minimum participation of 10% for Local Business Enterprises (LBE)/Local Not For Profit Business Enterprise (LNFPBE) and 10% for Small Local Business Enterprises (SLBE)/Small Local Not For Profit Business Enterprise (SLNFPBE). SLBE and SLNFPB may meet the full 20% requirement. In the case of construction projects where trucking is warranted, 20% of the total trucking dollars must be allotted to certified (Oakland) Local Truckers."

6. Date evaluation completed and returned to Contact Admin./Initiating Dept. **12/23/2004**

**Reviewing
Officer:**



Date: 12/23/2004

Approved By:



Date: 12/23/04

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.: C157910		Engineers Estimate: 1,787,445.00				Under/Over Engineers Estimate: 60,707.00					
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	LOCAL TRUCKING	TOTAL LBE/SLBE	TOTAL Dollars	For Tracking Only		
									Ethn.	MBE	WBE
PRIME	K.J. Woods Construction	SF	UB					1,266,738.00			
Excavation	Peak Engineering	Oakland	CB		55,000.00			55,000.00			
Trucking	S&S Trucking	Oakland	CB		20,000.00	20,000.00		20,000.00			
Sawing	Bay Line Construction	Oakland	CB	5,000.00				5,000.00			
Pipe Supply	Mission Clay	Oakland	UB					5,000.00			
Rock Material	Specialty Crushing	Oakland	CB		6,000.00			6,000.00			
Pipe Expanding	KMW Construction	SF	UB					25,000.00			
Paving	AJW Construction	Oakland	CB		5,000.00			5,000.00			
LIPP	Insituform	Benecia	UB					339,000.00			
Project Totals				5,000.00	86,000.00	20,000.00	91,000.00	1,726,738.00		\$0.00	\$0.00
				0.3%	4.98%	100.00%	5.27%				
Requirements:				LBE 10%	SLBE 10%	TRUCKING 20%	LBE/SLBE 20%	Ethnicity			
The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.								AA = African American A = Asian C = Caucasian H = Hispanic NA = Native American O = Other			
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											

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C. M. S.

OFFICE OF THE CITY CLERK
OAKLAND

INTRODUCED BY COUNCILMEMBER _____

Requires two-thirds vote of the Council

2005 APR 13 PM 6:27
D. Moore

RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC. FOR THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY MACARTHUR BOULEVARD, PATTERSON AVENUE, REINHARDT DRIVE, CARSON STREET AND MADRONE STREET – SUB-BASIN 81-014 (PROJECT NO. C157910) FOR THE AMOUNT OF ONE MILLION FOUR HUNDRED FIFTEEN THOUSAND SEVENTY-NINE DOLLARS (\$1,415,079)

WHEREAS, on December 13, 2004, two 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 Macarthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street – Sub-basin 81-014 (Project No. C157910); and

WHEREAS, Andes Construction, 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 Sewer Service Fund (3100); Capital Projects-Sanitary Sewer Design Organization (92244); Sewers Account (57417); Rehabilitation of Sanitary Sewers in the Area Bounded by Macarthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street – Sub-basin 81-014 Project (C157910); 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 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 Macarthur Boulevard, Patterson Avenue, Reinhardt Drive, Carson Street and Madrone Street – Sub-basin 81-014 (Project No. C157910) is hereby awarded to Andes Construction, Inc. in accordance with the terms of its bid therefore, dated December 13, 2004, for the amount of One Million Four Hundred Fifteen Thousand Seventy-Nine Dollars (\$1,415,079); 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, \$1,415,079, 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, \$1,415,079, 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 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