

**REDEVELOPMENT AGENCY
AND THE CITY OF OAKLAND**
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2007 NOV -1 PM 3:21

To: Office of the City/Agency Administrator
Attn: Deborah Edgerly
From: Community and Economic Development Agency
Date: November 13, 2007

Re: An Informational Report Regarding The 11th Street Sidewalk Improvement Project (C194950), Reporting On The Bid Results And The Outcome Of The Advertised, Competitive Bid Process

SUMMARY

This is an informational report regarding the 11th Street Sidewalk Improvement Project. On July 17, 2007, the City Council waived advertising and competitive bidding requirements of the Oakland Municipal Code and authorized the City Administrator to purchase the construction services and materials needed to build the project on the open market and to award the contract. Although the authorization to waive competitive bidding was approved, Council directed staff to return to Committee/Council in the fall of 2007 to report on the contractor selected and Local and Small Local Business Enterprise participation. This report outlines the bid process that occurred and provides detailed information about the bid results, including the Compliance Analysis from the Department of Contracting and Purchasing.

An advertised, competitive bid process was conducted in August 2007. Staff advertised the project in the *Oakland Tribune*, the *San Francisco Chronicle*, and the *Daily Pacific Builder*, mailed plans to 23 builders' exchange groups, and also mailed notices to a targeted list of 75 certified prime and sub-contractors who have consistently bid sidewalk projects in the City of Oakland. As a result, three bids were received: McGuire & Hester, Sposeto Engineering, and Ray's Electric. Ray's Electric was the lowest, responsive, responsible bidder and was awarded a contract in the amount of \$345,485.00. This project is Agency-funded.

Construction notice-to-proceed is scheduled for Thursday, November 1, 2007.

This report requires no action by Council.

FISCAL IMPACT

There is no fiscal impact related to this report because this is an informational report. However, a fiscal impact due to the project was reported in the original and supplemental staff reports and resolutions accepting and appropriating Agency funds for construction. City Resolution 80728 C.M.S., which was approved by Council on July 17, 2007, authorized the City Administrator to award a construction contract for an amount not to exceed \$420,000 for the 11th Street Project.

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On October 22, 2007, the City Administrator executed a construction contract with Ray's Electric for \$345,485.00.

BACKGROUND

Earlier this year, the timely completion of the 11th Street Sidewalk Improvement Project was identified as a priority by CEDA management. In June, the project was advertised and bid with another project, the Washington (7th – 9th Street) Sidewalk Improvement Project. Four bids were received, all of which were non-responsive. Pursuant to City Resolution 80728 C.M.S. and Agency Resolution 2007-0062 C.M.S. approved July 17, 2007, Redevelopment staff obtained authorization for the City Administrator to (1) reject all four bids because they were non-responsive; (2) waive the competitive bidding requirements for the 11th Street Project only; (3) purchase the necessary construction services and materials on the open market for the 11th Street Project, for an amount not to exceed \$420,000; and (4) accept and appropriate Redevelopment Agency funds for an amount not to exceed \$560,000.

Although not required for "open market" purchasing, staff advertised and competitively bid the project consistent with the City's construction bid requirements of the Oakland Municipal Code. The contracting process was expedited, however, as the City Administrator had pre-authorization per the resolutions described above to award a construction contract to the lowest, responsible, responsive bidder without having to return to Council.

This approach was taken because the time required to again prepare and submit an agenda report and resolution for Council approval would have delayed the project. By authorizing the City Administrator to award the construction contract without return to Council, the 11th Street Project can now be completed before the bulk of the rainy season begins this year.

KEY ISSUES AND IMPACTS

The purpose of this informational report is to provide a description of the bid process that occurred and report on the outcome of that process.

Description of Bidding Process: Redevelopment and Contract Administration staff worked closely together to ensure that the outreach for the 11th Street Project was comprehensive. The project work was advertised in *Oakland Tribune*, the *San Francisco Chronicle*, and the *Daily Pacific Builder*. The project was also advertised on the City of Oakland's Contract Administration website. Plans and specifications were also mailed to 23 builders exchange groups. Staff also mailed notices to a targeted list of 75 certified prime and sub-contractors who have consistently bid sidewalk projects in the City of Oakland. This list was provided to Council in the July 17 Supplemental Report. The bid period was as follows:

Project Advertisement	Friday, August 10
Pre-Bid Meeting	Friday, August 17
Bid Opening	Monday, August 27

City of Oakland Contracting Requirements: The City's Local & Small Local Enterprise Program, Local Employment Program, and 15% Apprenticeship Program applied to this project.

Bid Opening: The Bid Opening was held on August 27, 2007. Three bids were received: (1) McGuire & Hester, at \$345,168.00; (2) Ray's Electric, at \$345,485.00; and (3) Sposeto Engineering, at \$399,578.00. Please see *Attachment A. List of Bidders*.

Compliance Analysis: After Bid Opening, a contract compliance analysis was performed. Please see *Attachment B. Contract Compliance Memo*.

- Ray's Electric emerged as the lowest, responsible, responsive bidder according to the Department of Contracting and Purchasing, Division of Social Equity due to the 5% bid discount received. (Bid discounts are awarded to contractors that meet or exceed the minimum 20% L/SLBE requirement.) Ray's Electric exceeded the 20% L/SLBE requirement and the 20% L/SLBE Trucking requirement.
- McGuire & Hester, the second lowest bidder, did not meet the minimum 20% L/SLBE participation requirement, and is therefore deemed non-responsive with respect to the L/SLBE Program.
- Sposeto Engineering, the third lowest bidder, did not meet the minimum 20% L/SLBE participation requirement and did not meet the 20% L/SLBE Trucking requirement, and is therefore deemed non-responsive with respect to L/SLBE Program.

Selected Contractor: Ray's Electric was selected for the 11th Street Project. The contract amount is \$345,485.00.

Construction Period: Construction notice-to-proceed is scheduled for Thursday, November 1, 2007. There are 50 working days. The construction moratorium that exists in Downtown Oakland during the months of November and December has been waived by the Director of Public Works.

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PROJECT DESCRIPTION

The 11th Street Project includes the replacement of existing broken and deteriorated sidewalk with new concrete pavement, and includes installation of curb and gutter with relocated lighting on one block face along the north side of 11th Street between Clay Street and Broadway in Downtown Oakland.

RECOMMENDATION(S) AND RATIONALE

No recommendations are made by Staff for this informational report.

Respectfully submitted,

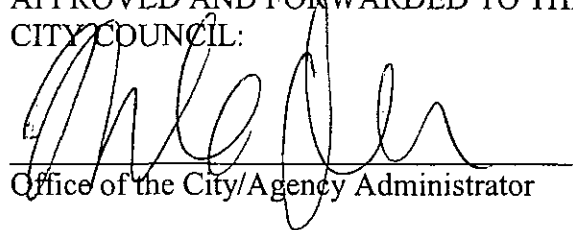


for

Gregory D. Hunter
Deputy Director of Redevelopment,
Economic Development, and Housing and
Community Development

Prepared by: Sunny Nguyen, UEAI
Redevelopment Agency

APPROVED AND FORWARDED TO THE
CITY COUNCIL:


Office of the City/Agency Administrator

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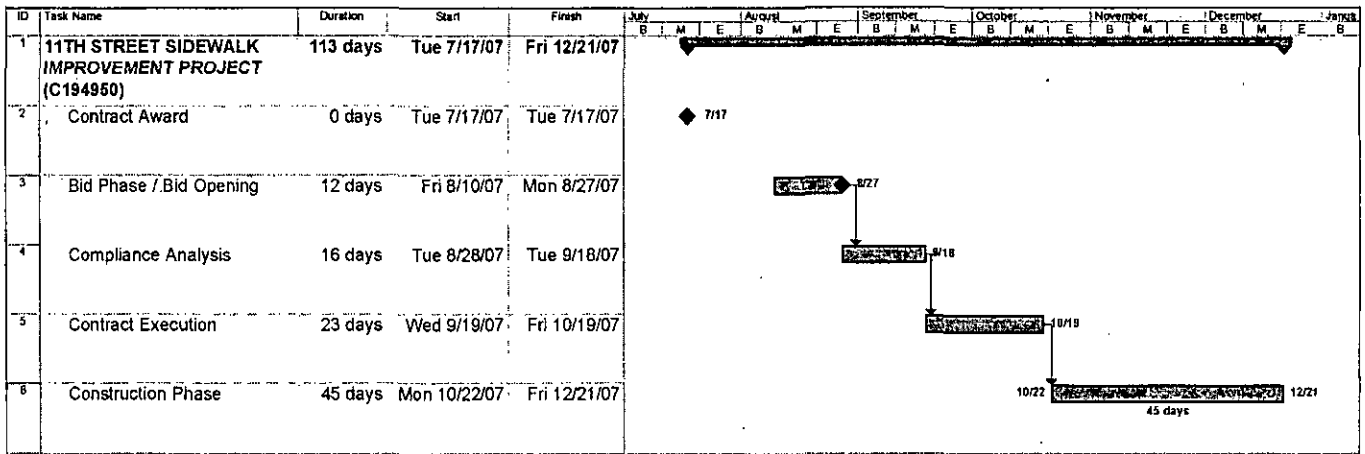
ATTACHMENT A

11th Street Sidewalk Improvement Project (C194950)

List of Bidders

Bidder	City Certification	Business Location	Bid Amount
McGuire & Hester	Certified	Oakland	\$345,168.00
Ray's Electric	Certified	Oakland	\$345,485.00
Sposeto Engineering	Certified	Union City	\$399,578.00

Project Schedule



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ATTACHMENT B

11th Street Sidewalk Improvement Project (C194950)

Contract Compliance Memo

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Memo

Department of Contracting and Purchasing; Division of Social Equity
Compliance Analysis



To: Gwen McCormick - Contract Administrator Supervisor
 From: Department of Contracting and Purchasing
 Through: Deborah Barnes, Manager, CC&ES *Deborah Barnes*
 CC: George Durney, Project Manager, CEBA
 Date: 9/17/2007
 Re: Compliance Analysis: 11th Street Sidewalk Improvement Between Clay and Broadway Streets

The Department of Contracting and Purchasing (DCP), Division of Social Equity, reviewed three (3) bids received in response to the above-referenced project. Below, please find the compliance evaluation for the minimum 20% Local and Small Local Business Enterprise (L/SLBE) participation requirement, a preliminary review for compliance with the Equal Benefits Ordinance (EBO), and a brief overview of the lowest responsible bidder's compliance with the 50% Local Employment (LEP) and 15% Apprenticeship programs. The overview is of the contractor's LEP and 15% Apprenticeship compliance on the most recently completed City of Oakland project.

Responsive		Proposed Participation							Banked Credits Eligibility	EBO Compliant ? Y/N
Company Name	Bid Amount	Total L/SLBE	LBE	SLBE	Trucking	Total Credited	Adjusted Bid Amount	Bid Discounts		
Ray's Electric	\$345,485	92%	25%	67%	100%	92%	\$328,211	5%	2%	Y

Comments:

As noted above, Ray's Electric emerged as the lowest responsible bidder due to the five percent (5%) bid discount. Ray's Electric exceeded the 20% L/SLBE requirement and the 20% L/SLBE Trucking requirement. Ray's Electric is EBO compliant.

Non-Responsive		Proposed Participation							Banked Credits Eligibility	EBO Compliant ? Y/N
Company Name	Bid Amount	Total L/SLBE	LBE	SLBE	Trucking	Total Credited	Adjusted Bid Amount	Bid Discounts		
McGuire Hester	\$345,168	87%	84%	3%	100%	0%	\$345,168	0%	0%	Y
Sposeto Engineering	\$399,578	0%	0%	0%	0%	0%	\$399,578	0%	0%	Y

Comments:

McGuire and Hester, second lowest bidder, did not meet the minimum 20% L/SLBE participation requirement, and is deemed non-responsive as it relates to the L/SLBE Program. Sposeto Engineering, third lowest bidder, did not meet the 20% L/SLBE requirement and did not meet the 20% L/SLBE Trucking requirement. Therefore, Sposeto Engineering is non-responsive as it relates to the L/SLBE Program. McGuire and Hester and Sposeto Engineering are EBO compliant.

Summary of Local Employment and 15% Apprenticeship participation.

For Informational Purposes - 50% LEP and 15% Apprenticeship compliance on last most recent project for: Ray's Electric.
 The numbers listed below show: (a) Total Project Hours; (b) Core Employee Adjustment; (c) LEP Goal Hours; (d) On-Site Actual Resident Employment Hours; (e) Off-Site Actual Resident Employment Hours; (f) LEP shortfall Hours; (g) 15% Apprenticeship Goal Hours; (h) On-Site Actual 15% Apprenticeship Hours; (i) Off-Site Actual 15% Apprenticeship Hours; and (j) 15% Apprenticeship Shortfall.

Oakland Resident Workforce Hours

Contractor	(a) Total Project Hours	(b) Core Employee Adjustment	50% LEP			15% Apprenticeship				
			(c) Goal Hours	Actual Resident Employment Hours		(f) Short Fall	Actual Resident Employment Hours		(j) Short Fall	
				(d) On-Site	(e) Off-Site		(h) On-Site	(i) Off-Site		
Ray's Electric	1,104	0	552	846	N/A	0	165.6	133.00	32.6	0
	100%		50%	76.63%		.0%	15%	12.05%	2.95%	0%
Exceeded Goal ?				26.63%						

Ray's Electric exceeded the LEP 50% resident hiring goal with 76.63% resident employment and met the 15% Apprenticeship goal.

Should you have any questions or need additional information you may contact Shelley Darzensburg, Acting Senior Contract Compliance Officer at 238-7325.

cc: Contract Compliance File

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CONTRACT COMPLIANCE & EMPLOYMENT SERVICES
PROJECT EVALUATION FORM

PROJECT NO. G00800

11th Street Sidewalk Improvement Between Clay and Broadway Streets

PROJECT NAME:

CONTRACTOR: Ray's Electric

<u>Engineer's Estimate:</u>	<u>Contractors' Bid Amount</u>	<u>Over/Under Engineer's Estimate</u>
\$419,830	\$345,485	\$74,345.00
<u>Discounted Bid Amount:</u>	<u>Amt. of Bid Discount</u>	<u>Discount Points:</u>
\$328,211	\$17,274	5%

1. Did the 20% requirements apply? Yes

2. Did the contractor meet the 20% requirement No

a) % of LBE participation 25%

b) % of SLBE participation 67%

3. Did the Trucking requirement apply? Yes

4. Did the contractor meet the Trucking requirement? Yes

a) Total trucking participation 100%

5. Did the contractor receive bid discounts? Yes

(If yes, list the percentage received) 5%

6. Additional Comments.

Due to the 5% bid discount received, the bidder emerged as the lowest responsible bidder.

7. Date evaluation completed and returned to Contract Admin./Initiating Dept.

9/19/2007

Date

Reviewing Officer:

Shelley Darenburg

Date: 9/19/07

Approved By

Dwight Barnes

Date: 9/19/07

LBE/SLBE Participation Bidder 1

Project Name: 11th Street Sidewalk Improvement Between Clay and Broadway Streets

Project No.: C00800		Engineers Est: \$419,830				Under/Over Engineers Estimate: 74,345.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	L/SLBE Trucking	Total Trucking	TOTAL Dollars	For Tracking Only		
										Ethn	MBE	WBE
PRIME	Ray's Electric	Oakland	CB		221,682	221,682			221,682	C		
Fence	Bailey Fence	Hayward	UB						15,400	C		
Concrete	Central Concrete	Oakland	CB	\$11,340		11,340			11,340	C		
Trucking	William's Trucking	Oakland	CB		8,400	8,400	8,400	8,400	8,400	AA	8,400	
Asphalt Paving	Gallagher & Burk	Oakland	CB	\$73,475		73,475			73,475	C		
Stripe & Signage	Lineation Markings	Oakland	UB						8,000	C		
Vault	Bilco Co.	New Haven, CT	UB						4,118	C		
Saw Cutting	BayLine Cutting Coring	Oakland	CB		2,800	2,800			2,800	HA	2,800	
Project Totals				\$84,815	\$232,882	\$317,697	\$8,400	\$8,400	\$345,485		\$11,200	\$0.00
				25%	67%	92%	100%	100%	100%		3%	
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 NL = Not Listed		
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								

**CONTRACT COMPLIANCE & EMPLOYMENT SERVICES
PROJECT EVALUATION FORM**

PROJECT NO. C00800

PROJECT NAME: 11th Street Sidewalk Improvements Between Clay and Broadway Streets

CONTRACTOR: McGuire and Hester

<u>Engineer's Estimate:</u>	<u>Contractors' Bid Amount</u>	<u>Over/Under Engineer's Estimate</u>
\$419,830	\$345,168	\$74,662.00
<u>Discounted Bid Amount:</u>	<u>Amt. of Bid Discount</u>	<u>Discount Points:</u>
\$345,168	\$0	0%

1. Did the 20% requirements apply? Yes

2. Did the contractor meet the 20% requirement? No

a) % of LBE participation 84%

b) % of SLBE participation 3%

3. Did the Trucking requirement apply? Yes

4. Did the contractor meet the Trucking requirement? Yes

a) Total trucking participation 100%

5. Did the contractor receive bid discounts? No

(If yes, list the percentage received) 0%

6. Additional Comments.

The bidder failed to meet the minimum 20% L/SLBE Requirement. Therefore, they are non-responsive as it relates to the L/SLBE Program.

7. Date evaluation completed and returned to Contract Admin./Initiating Dept.

9/19/2007

Date

Reviewing
Officer:

Shelley Darenburg

Date: 9/19/07

Approved By

Deborah Baker

Date: 9/19/07

LBE/SLBE Participation Bidder 2

Project Name: 11th Street Sidewalk Improvement Between Clay and Broadway Streets

Project No.: C00800		Engineers Est: \$419,830				Under/Over Engineers Estimate: 74,662.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	L/SLBE Trucking	Total Trucking	TOTAL Dollars	For Tracking Only		
										Ethn	MBE	WBE
PRIME Striping Electrical Trucking	McGuire and Hester	Oakland	CB	291,295		291,295			291,295	C		
	Crisp Co.	Fremont	UB						17,623	NL		
	Columbia Electric	San Leandro	UB						25,250	NL		
	Williams Trucking	Oakland	CB		11,000	11,000	11,000	11,000	11,000	AA	11,000	
Project Totals				\$291,295	\$11,000	\$302,295	\$11,000	\$11,000	\$345,168		\$11,000	\$0.00
				84.39%	3.19%	88%	100%	100%	100%		3%	
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 NL = Not Listed		
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								

**CONTRACT COMPLIANCE & EMPLOYMENT SERVICES
PROJECT EVALUATION FORM**

PROJECT NO. C00800

11th Street Sidewalk Improvement Between Clay and Broadway Streets

PROJECT NAME:

CONTRACTOR: Sposeto Engineering

<u>Engineer's Estimate:</u>	<u>Contractors' Bid Amount</u>	<u>Over/Under Engineer's Estimate</u>
\$419,830	\$399,578	\$20,252
<u>Discounted Bid Amount:</u>	<u>Amt. of Bid Discount</u>	<u>Discount Points:</u>
\$399,578	\$0	5%

1. Did the 20% requirements apply? Yes

2. Did the contractor meet the 20% requirement? No

a) % of LBE participation 0%

b) % of SLBE participation 0%

3. Did the Trucking requirement apply? Yes

4. Did the contractor meet the Trucking requirement? No

a) Total trucking participation 0%

5. Did the contractor receive bid discounts? No

(If yes, list the percentage received) 0%

6. Additional Comments.

The bidder failed to meet the minimum 20% L/SLBE participation requirement and the minimum 20% L/SLBE Trucking requirement. Therefore, the bidder is non-responsive as it relates to the L/SLBE Program.

7. Date evaluation completed and returned to Contract Admin./Initiating Dept.

9/19/2007

Date

Reviewing
Officer:

Shelley Darenburg

Date: 9/19/07

Approved By

Desiree Barber

Date: 9/19/07

LBE/SLBE Participation Bidder 3

Project Name: 11th Street Sidewalk Improvement Between Clay and Broadway Streets

Project No.: C00800		Engineers Est: \$419,830				Under/Over Engineers Estimate: 20,252.00						
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	L/SLBE Trucking	Total Trucking	TOTAL Dollars	For Tracking Only		
										Ethn	MBE	WBE
PRIME Striping Electric Fencing	Sposeto Engineering	Union City	UB						360,328	C		
	R.C. Shay & Co., Inc.	Redwood City	UB						5,000	NL		
	Columbia Electric	San Leandro	UB						25,250	NL		
	Bailey Fence Co.	Hayward	UB						9,000	NL		
Project Totals				\$0	\$0	\$0	\$0	\$0	\$399,578		\$0	\$0.00
				0%	0%	0%	100%	100%	100%		0%	
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 NL = Not Listed		
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						

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