

CITY OF OAKLAND

AGENDA REPORT

2007 FEB 13 11:03:03

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: February 13, 2007

RE: **Resolution Authorizing Award Of A Contract To Andes Construction, Inc. For The Rehabilitation Of Sanitary Sewers In The Area Bounded By Telegraph Avenue, 24th Street, Lee Street, Harrison Street And 20th Street – Part One Sub-basin 52-05 (Project No. C227210) For The Amount Of Four Million Three Hundred Fifteen Thousand Five Hundred Thirty-Six Dollars (\$4,315,536.00)**

SUMMARY

A resolution has been prepared authorizing the City Administrator to award a construction contract in the amount of \$4,315,536.00 to Andes Construction, Inc. for the Rehabilitation of Sanitary Sewers in the area bounded by Telegraph Avenue, 24th Street, Lee Street, Harrison Street and 20th Street – part one Sub-basin 52-05 (Project No. C227210). The work to be completed under this project is part of the City's annual Sanitary Sewer Infiltration/Inflow (I/I) Correction Program and 100% of the work will be performed by Small Local Business Enterprises. The work is located in Council District 3 and as shown on the location map in *Attachment A*.

It is recommended that the resolution be approved.

FISCAL IMPACT

There are sufficient funds in the project budget for the work. These funds are available in the Sewer Service Fund (3100); Capital Project-Sanitary Sewer Design Organization (92244); Sewers Account (57417); Project No. C227210.

BACKGROUND

On October 23, 2006, the City Clerk received one bid for this project in the amount of \$4,315,536.00 as shown in *Attachment B*. The Engineer's Estimate for this work is \$4,329,000.00. The bidder, Andes Construction, Inc., is deemed responsive and responsible, and therefore is recommended for the award.

This project will rehabilitate and upgrade the sanitary sewer pipes within the project area, eliminate the infiltration of rain and ground water into the sanitary sewers system, and limit

Item: _____
Public Works Committee
February 13, 2007

overflows and backups during wet weather. This project meets the Mayor/Council Goals and Citywide Objective to **Build Community and Foster Livable Neighborhoods** by providing for clean, well-maintained sanitary sewer systems.

In general, the proposed work consists of rehabilitating approximately 30,350 linear feet of existing sewer pipes ranging in diameter size from 6” to 24”, and other related work as indicated on the plans and specifications.

Under the proposed contract with Andes Construction, Inc., SLBE participation of \$4,315,536.00 (100%) exceeds the City’s 20% LBE/SLBE requirement. The contractor shows \$30,000.00 (100%) for trucking exceeding the 20% Local Trucking requirement. The contractor received 5% credit for LBE/SLBE preference, or \$215,776.80, that made the adjusted bid amount \$4,099,759.20. 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 April 2007 and should be completed by May 2008. The contract specifies \$1,000.00 in liquidated damages per working day if the contract is not completed within 280 working days. The project schedule is shown in *Attachment C*.

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 City’s I/I Correction Program reduces the incidence of sewer overflows and thus prevents potential harm to water 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. Best Management Practices for the protection of storm water runoff during construction will be required.

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 responsible bidder, in the amount of \$4,315,536.00 for The Rehabilitation of Sanitary Sewers in the area bounded by Telegraph Avenue, 24th Street, Lee Street, Harrison Street and 20th Street – part one Sub-basin 52-05 (Project No. C227210). Andes Construction, Inc. 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,

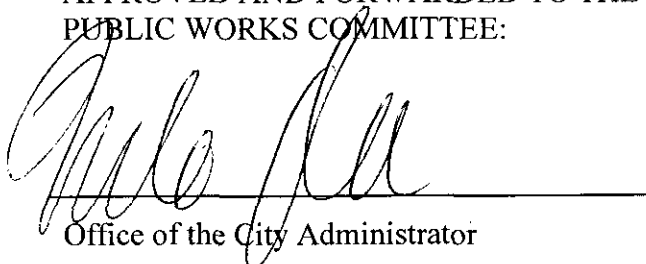


Raul Godinez II, P. E.
Director, Public Works Agency

Reviewed by:
Michael Neary, P.E.
Assistant Director, Public Works Agency
Design & Construction Services Department

Prepared by:
Yader Bermudez, P.E.
Manager Division
Engineering Design and ROW Management

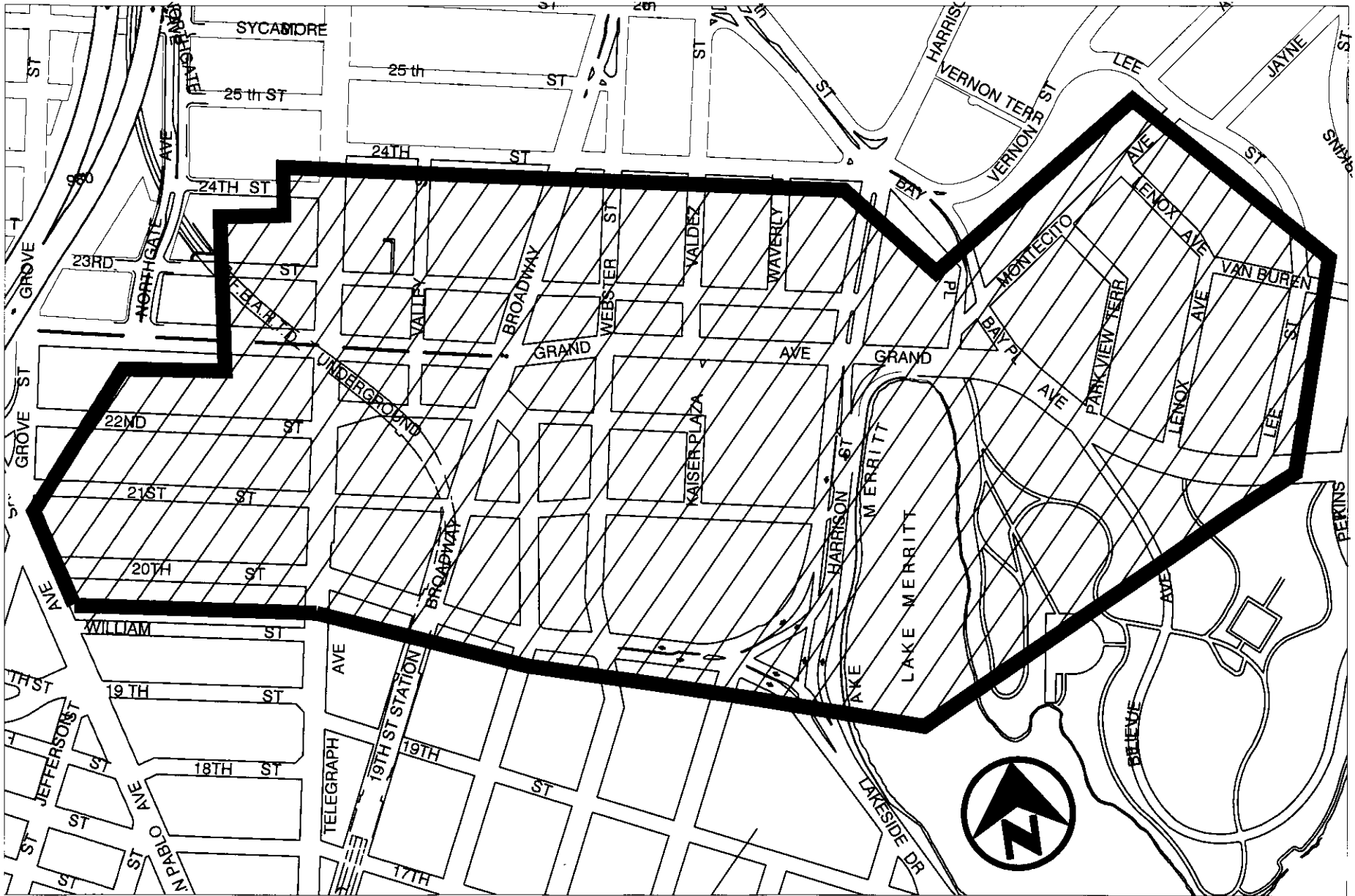
APPROVED AND FORWARDED TO THE
PUBLIC WORKS COMMITTEE:



Office of the City Administrator

Attachment A

CITY PROJECT NO. C227210



Attachment B



Memo

Office of the City Administrator

Contract Compliance & Employment Services Division

To: Gwen McCormick - Contract Administrator Supervisor
From: Dasco Munoz - CC&ES Contract Compliance Officer
Through: Deborah Barnes - CC&ES Manager *DB*
CC: Project Manager
Date: December 6, 2006
Re: The Rehabilitation of Sanitary Sewer in an area Bounded by Telegraph Avenue, 24th Street, Lee St., Harrison St.,-Part One (Sub-Basin 52-05)

Contract Compliance & Employment Services reviewed one (1) bid received in response to the above referenced project. Below is the outcome of our compliance evaluation for the twenty percent (20%) minimum participation requirement and a preliminary review for compliance with the Equal Benefits Ordinance (EBO).

Company Name	Bid Amount	Proposed Participation							Banked Credits Eligibility	EBO Compliant Y/N
		Total L/SLBE	LBE	SLBE	Trucking	Total Credited	Adjusted Bid Amount	Bid Discounts		
Andes Construction	\$4,315,536.00	100.00%	0.00%	100.00%	100%	100.00%	\$4,099,759	5%	2%	Y

As noted above, this contractor exceeded the 20% L/SLBE requirement and is in compliance with the Equal Benefit Ordinance (EBO).

Should you have any questions you may contact Dasco Munoz at 238-3970

cc: Contract Compliance File

22:01:22
12/18/2006
11:18:22

Contract Compliance and Employment Services Evaluation Form

Project No.: C227210

Project Name: The Rehabilitation of Sanitary Sewer in an area Bounded by
Telegraph Avenue, 24th Street, Lee St., Harrison St., -Part
One (Sub-Basin 52-05)

Contractor: Andes Construction

Contractor's Bid Amount: 4,315,536.00

Engineer's Estimate: 4,329,000.00

Over/Under the Engineers -13,464.00

Estimate:

Bid Discounted Amount: \$215,776.80

Discount Points: 5%

Discounted Bid Price: \$4,099,759.20

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

2. Did the contractor meet the 20% requirement? **YES**

a) % of LBE **0.00%**
b) % of SLBE **100.00%**

3. Did the contractor meet the Trucking requirement? **YES**

a) % of Local Trucking **100.00%**

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. **12/6/2006**

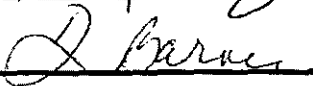
Reviewing
Officer:



Date: **12/6/2006**

Approved

By:



Date: **12/6/06**

LBE/SLBE Participation Bidder 1

Project Name: The Rehabilitation of Sanitary Sewer in an area Bounded by Telegraph Avenue, 24th Street, Lee St., Harrison St., -Part One (Sub-Basin 52-05)

Project No.: C227210		Engineers Est: 4,329,000.00				Under/Over Engineers Estimate: -13,464.00				For Tracking Only					
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total	S/LBE	Total	TOTAL	Ethn.	MBE	WBE			
						LBE/SLBE	Trucking	Trucking	Dollars						
PRIME	Andes Construction	Oakland	CB		4,275,536.00	4,275,536.00			4,275,536.00	H	4,275,536.00				
Trucking	Foston	Oakland	CB		30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	AA	\$30,000.00				
Saw Cutting	BayLine	Oakland	CB		10,000.00	10,000.00			10,000.00	H	\$10,000.00				
Project Totals				0.00	4,315,536.00	4,315,536.00	30,000.00	30,000.00	4,315,536.00		\$4,315,536.00				
				0.00%	100.00%	100.00%	100%	100%							
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 AI = Asian Indian AP = Asian Pacific 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											

Attachment C

Rehabilitation Of Sanitary Sewers In The Area Bounded By Telegraph Avenue, 24Th Street, Lee Street, Harrison Street And 20Th Street – Part One Sub-basin 52-05 (Project No. C227210).

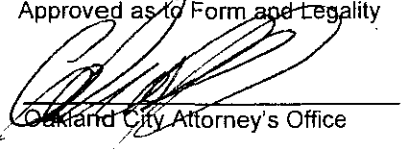
List of Bidders

Company	Proposed Participation	Location	Bid Amount
Andes Construction, Inc	SLBE	Oakland	\$4,315,536.00

Project Schedule

ID	Task Name	Start	2005				2006				2007				2008			
			Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2		
1	Proj C227210	Tue 3/29/05																
2	Pre-Design	Tue 3/29/05																
3	Design	Thu 5/26/05																
4	Bid/Award	Tue 8/8/06																
5	Construction	Wed 4/11/07																

OFFICE OF THE CITY CLERK
RECEIVED



Oakland City Attorney's Office

2007 FEB -1 AM 10:08

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C. M. S.

INTRODUCED BY COUNCILMEMBER _____

RESOLUTION AUTHORIZING AWARD OF A CONTRACT TO ANDES CONSTRUCTION, INC. FOR THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY TELEGRAPH AVENUE, 24TH STREET, LEE STREET, HARRISON STREET AND 20TH STREET – PART ONE SUB-BASIN 52-05 (PROJECT NO. C227210) FOR THE AMOUNT OF FOUR MILLION THREE HUNDRED FIFTEEN THOUSAND FIVE HUNDRED THIRTY-SIX DOLLARS (\$4,315,536.00)

WHEREAS, on October 23, 2006, one bid was received by the Office of the City Clerk of the City of Oakland for The Rehabilitation Of Sanitary Sewers in the area bounded y Telegraph Avenue, 24th Street, Lee Street, Harrison Street And 20th Street – part one Sub-basin 52-05 (Project No. C227210) for the amount of four Million Three Hundred Fifteen Thousand Five Hundred Thirty-Six Dollars (\$4,315,536.00); and

WHEREAS, Andes Construction, Inc., a certified SLBE bidding as a prime, is the responsible bidder for the project; and

WHEREAS, 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); The Rehabilitation of Sanitary Sewers in the area bounded by Telegraph Avenue, 24th Street, Lee Street, Harrison Street and 20th Street – part one Sub-basin 52-05 (Project No. C227210), 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, Inc. complies with all LBE/SLBE requirements; 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 Telegraph Avenue, 24th Street, Lee Street, Harrison Street and 20th Street – part one Sub-basin 52-05 (Project No. C227210) is hereby awarded to Andes Construction, Inc. in accordance with the terms of its bid therefore, dated October 23, 2006, for the amount of Four Million Three Hundred Fifteen Thousand Five Hundred Thirty-Six Dollars (\$4,315,536.00); 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, \$4,315,536.00, 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, \$4,315,536.00, 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: No other bids were received; 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.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2007

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California