# CITY OF OAKLAND AGENDA REPORT

FILED OFFICE OF THE CITY CLEBP

2008 JUN 26 PH 4: 18

TO: Office of the City Administrator

ATTN: Deborah Edgerly

FROM: Community and Economic Development Agency

DATE: July 8, 2008

RE: Resolution Authorizing The City Administrator, Or Her Designee, To Award A Construction Contract For The City Stables Paddocks Project To The Lowest Responsible Bidder/Contractor To Be Named Upon Successful Bidding Of The Project For An Amount Not To Exceed Three Hundred Fifty Thousand Dollars (\$350,000.00), Or If All Bids Submitted Are Non-Responsive, To Reject All Bids, Waive Further Competitive Bidding Requirements, And Negotiate A Contract Within Budget, For An Amount Not To Exceed Three Hundred Fifty Thousand Dollars (\$350,000.00), Without Return To Council

#### SUMMARY

A resolution has been prepared authorizing the City Administrator, or her designee, to award a contract for the construction of the City Stables Paddocks project to the lowest responsible bidder/contractor to be named upon successful bidding of the project for an amount not to exceed three hundred fifty thousand dollars (\$350,000.00), or if all bids submitted are non-responsive, to reject all bids, waive further competitive bidding requirements, and negotiate a contract within budget, for an amount not to exceed three hundred fifty thousand dollars (\$350,000.00) without return to City Council.

The City Stables Paddocks project consists of the demolition of the existing horse paddocks, remediation of hazardous materials, minor site grading, design and construction of two horse paddock structures and construction of a new hay barn and turnout areas (alternate bid items).

This resolution has been prepared due to time constraints that require the expedited construction and completion of the City Stables Paddocks project. A portion of the project funding comes from the State Proposition 12 Roberti Z'berg-Harris Urban Open Space and Recreation Program grant and will expire in 2009. Final grant reimbursement for a completed project must be submitted to the State by March 2009, and thus construction must commence by September 2008 to meet this deadline. At the time this report was prepared, bid proposals had not yet been received. Bid proposals for the construction of the project are currently being solicited and are scheduled to be submitted to the City on June 16, 2008. Staff will present information regarding the bid results in a supplemental report to the Public Works Committee, if available, on July 8, 2008, and to the full City Council on July 15, 2008.

#### FISCAL IMPACT

Approval of the resolution will authorize the City Administrator, or her designee, to award a construction contract for the City Stables Paddocks project in an amount not to exceed three hundred fifty thousand dollars (\$350,000.00): The funding source for the capital improvements are as follows:

 \$350,000 - State Proposition 12 Roberti Z'berg-Harris Urban Open Space and Recreation Program Grant Fund (2134), City Stables Improvement Project (C213720)

The Contract Compliance fee and the Public Art fee have been allocated under the Multipurpose Reserve Fund (1720) City Stables Improvements Project (C213720).

The City will maintain the new paddocks until such a time that a concessionaire is hired. There are no funds available for the operations and maintenance of this project and staff will need to be drawn from other areas to perform the maintenance. This project will require on-going maintenance.

#### BACKGROUND

The City of Oakland acquired the 7.4-acre property at City Stables in 1994 with Measure K (Park and Open Space) funding. Language in the Measure K literature and legislation specifically named City Stables (then Vista Madera Stables) and the property was included in the Measure to preserve it as a horse boarding and riding stable.

The management and operation of City Stables was governed by a License and Master Concession Agreement with a local nonprofit group from October 1, 1995 through April 30, 2004. That Agreement was terminated as a result of the group's inability to maintain the necessary insurance coverage required for the safe and legal operation of City Stables. All youth programs were halted by the close of that Agreement and from May 1 to September 1, 2004, the Office of Parks and Recreation managed horse boarding operations at the Stables until boarding operations were closed at the end of 2004 per City Council direction.

The City has issued Requests for Proposals twice over the past three years and has not been able to identify an appropriate concessionaire to operate horse boarding and equestrian programs at the site without first making improvements and repairs to the facility. Currently there are no horses and no caretaker at the City Stables site. OPR has operated summer day programs at the site for the past three summers.

Pursuant to Resolution No. 80969 C.M.S., the City Council directed staff in December 2007 to move forward with the capital improvements contained herein so as not to miss the State Proposition 12 grant deadline.

## **KEY ISSUES AND IMPACTS**

With the pending expiration of the State Proposition 12 Roberti Z'berg-Harris Urban Open Space and Recreation Program grant, it is important to expedite the award of a construction contract for the City Stables Paddocks project. Final grant reimbursement for a completed project must be submitted by March 2009.

Construction of the City Stables Paddocks project will provide a usable facility for the Parks and Recreation Department to offer equestrian programming to Oakland residents and visitors. The new paddocks will be able to house up to 16 horses and the existing stables may be used as a hay barn if funding for the new hay barn is not available. In addition, there is a limited grazing area within the existing facility. The implementation of this project will bring the City closer to its goal to offer quality services, activities, and programs open to all Oakland residents and visitors, cultivate awareness about the availability, accessibility, and affordability of Parks and Recreation services and offer fun activities in a clean, safe, healthy environment that provides opportunities for personal growth and skills development.

At the time this report was prepared bid proposals were not yet received. Bid opening is scheduled for June 16, 2008. The contract will be awarded to the lowest responsive and responsible bidder. The contractor awarded the construction contract will be required to meet the City's Local/Small Local Business Enterprise and local trucking programs. Additionally, the contractor will be required to have 50% of the work hours performed by Oakland residents and 50% of all new hires are to be Oakland residents.

However, if all bids submitted are non-responsive, staff requests that the City Administrator, or her designee, be authorized to reject all bids, waive further competitive bidding requirements, and negotiate a contract within budget that also maximizes local and small local business participation, for an amount not to exceed three hundred fifty thousand dollars (\$350,000.00). The City's Municipal Code, Title 2, Section 2.04.050.I (2) and (5) allows waiver of competitive bidding when bidding would be unavailing or it is in the best interests of the City to waive bidding. Staff will seek to maximize LBE/SLBE participation in any negotiated bid.

Upon approval of the resolution, construction would be scheduled to begin in September 2008 and be completed by January 2009. The contract specifies \$500.00 in liquidated damages per calendar day if the contract completion time of 90 working days is exceeded.

#### **PROJECT DESCRIPTION**

The scope of work for the City Stables Paddocks project consists of the demolition of the existing horse paddocks, remediation of hazardous materials, minor site grading and the design and construction of two horse paddock structures. A new hay barn and turnout areas (alternate bid items) will be constructed if funding is available.

## SUSTAINABLE OPPORTUNITIES

*Economic:* The construction of the project will generate business tax, sales tax, and other revenues for the City.

*Environmental:* The project will recycle construction debris to the extent feasible, will incorporate sustainable design elements, and will utilize recycled-content materials wherever possible.

*Social Equity:* The project enhances the basic recreational service levels and quality of life amenities with an emphasis on equestrian activities, provides opportunities for outdoor experiences, and provides a space for children's educational programs.

#### **DISABILITY AND SENIOR CITIZEN ACCESS**

The project will provide full access to persons with disabilities and senior citizens. It will comply with the Americans with Disabilities Act and will conform to all requirements related to disability and senior citizen access.

#### **RECOMMENDATION AND RATIONALE**

Staff recommends that the City Council approve the resolution authorizing the City Administrator, or her designee, to award a contract for the construction of the City Stables Paddocks project in an amount not to exceed three hundred fifty thousand dollars (\$350,000.00), or if all bids submitted are non-responsive, to reject all bids, waive further competitive bidding requirements, and negotiate a contract within budget, for an amount not to exceed three hundred fifty thousand dollars (\$350,000.00) without return to City Council.

Sufficient funding is currently available for the project, and the award of the construction contract will allow the work to be completed prior to the State Proposition 12 Roberti Z'berg-Harris Urban Open Space and Recreation Program grant reimbursement submission deadline of March 2009. The contractor who is awarded the construction contract will be required to meet all City business program requirements.

# **ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

Dan Lindheim Director, Community and Economic Development Agency

Reviewed by: Michael Neary, P.E. Deputy Director, Community and Economic Development Agency Design & Construction'Services

Prepared by: Diane Tannenwald, CIP Coordinator Project Delivery Division

APPROVED AND FORWARDED TO THE PUBLIC WORKS COMMITTEE:

Office of the City Administrator

OFFICE OF THE CITY CLERN OFFICE OF THE CITY CLERN OAKLAND 2008 JUN 26 PM 4: 18 OAKLAND CI	APPROVED AS TO FORM AND LEGALITY City Attorney
2008 JUN 26 PM 4: 10 OAKLAND CITY COUNCIL	
RESOLUTION NO.	C.M.S.
Introduced by Councilmemb	er

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO AWARD A CONSTRUCTION CONTRACT FOR THE CITY STABLES PADDOCKS PROJECT TO THE LOWEST RESPONSIBLE BIDDER/CONTRACTOR TO BE NAMED UPON SUCCESSFUL BIDDING OF THE PROJECT FOR AN AMOUNT NOT TO EXCEED THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000.00), OR IF ALL BIDS SUBMITTED ARE NON-RESPONSIVE, TO REJECT ALL BIDS, WAIVE FURTHER COMPETITIVE BIDDING REQUIREMENTS, AND NEGOTIATE A CONTRACT WITHIN BUDGET, FOR AN AMOUNT NOT TO EXCEED THREE HUNDRED FIFTY THOUSAND DOLLARS (\$350,000.00), WITHOUT RETURN TO COUNCIL

WHEREAS, the City Stables Paddocks project is a much needed project to provide the community with year-round recreational opportunities; and

WHEREAS, construction documents for the City Stables Paddocks Project have been prepared and construction bids are scheduled to be received on June 16, 2008; and

WHEREAS, it is necessary to expedite the completion of this project prior to the expiration of the State Proposition 12 Roberti Z'berg-Harris Urban Open Space and Recreation Program Grant; and

WHEREAS, there are sufficient funds in the project budget for the construction work and contingencies totaling \$350,000.00 within the State Proposition 12 Roberti Z'berg-Harris Urban Open Space and Recreation Program Grant Fund (2134), Capital Project Management Organization (92270), and City Stables Capital Improvements Project (G230120); and

WHEREAS, if the City does not receive any responsible bids, that the City Administrator will be authorized to reject all bids, waive further bidding requirements, and negotiate a construction contract within budget for an amount not-to-exceed three hundred fifty thousand dollars (\$350,000.00); and

WHEREAS, the City's Municipal Code, Title 2, Section 2.04.050.I (2) and (5) allows waiver of competitive bidding when bidding would be unavailing or it is in the best interests of the City to waive bidding; and

WHEREAS, the contractor will be required to meet the requirements of the City's L/SLBE, the Local Trucking, Local Employment and Apprenticeship Programs; 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 that services under this contract will be temporary; 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 service; now, therefore, be it

**RESOLVED**: That the City Administrator, or her designee, is hereby authorized to award a contract for the construction of the City Stables Paddocks project to the lowest responsible bidder in accordance with the terms of its bid for an amount not-to-exceed three hundred fifty thousand dollars (\$350,000.00) 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 hereby authorized to reject all other bids; and be it

**FURTHER RESOLVED**: That if no responsive bids are received and pursuant to Oakland Municipal Code Section 2.04.050.I (5), the City Council hereby determines that it is in the bestinterests of the City to waive further advertising and bidding requirements; and be it

**FURTHER RESOLVED**: That the City Administrator, or her designee, is hereby authorized to reject all bids and negotiate a contract for an amount not-to-exceed three hundred fifty thousand dollars (\$350,000.00), if necessary without return to Council; 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, applications, contracts, amendments, payment requests, and related actions for the completion of these projects; and be it

**FURTHER RESOLVED:** That should additional funds be received for these projects, the City Administrator, or her designee, is hereby authorized to accept and appropriate the same for the purposes described above; and be it

**FURTHER RESOLVED:** That the City of Oakland certifies that the Project is compatible with the land use plans of those jurisdictions immediately surrounding the Project; and be it

**FURTHER RESOLVED**: That the City Council hereby approves the plans and specifications for the City Stables Paddocks Project; and be it

**FURTHER RESOLVED**: The amount of the bond for faithful performance, equal to the amount of the contract, and the amount for a bond to guarantee payment of all claims for labor and material furnished and for the amount due under the Unemployment Insurance Act, equal to the amount of the contract with respect to such work are hereby approved; 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,

. 2008

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 2