

**CITY OF OAKLAND  
COUNCIL AGENDA REPORT**

TO: Office of the City Administrator  
ATTN: Deborah Edgerly  
FROM: Public Works Agency  
DATE: July 20, 2004

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND  
2004 JUL -8 PM 7:05

RE: RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO REJECT ALL BIDS AND TO RE-BID THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY CREST, MICHIGAN AND 82<sup>ND</sup> AVENUES AND MACARTHUR BOULEVARD - SUBBASIN 84-112 (PROJECT NO. C158110), USING REVISED STANDARD SPECIFICATIONS

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**SUMMARY**

A resolution has been prepared authorizing the City Administrator to reject all bids and to re-bid the Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and Macarthur Boulevard – Subbasin 84-112 (Project No. C158110). The work to be completed under this project is part of the City annual sanitary sewer rehabilitation program. The work is located in Council Districts 6 and 7.

**FISCAL IMPACTS**

Funding for this project is available in the Sewer Service Fund (3100); Organization 92244; Account 57417; Project C158110. The engineer's estimate for the work is \$1,620,250.

**BACKGROUND**

On October 13, 2003, the City Clerk received two bids for this project in the amounts of \$1,275,037 and \$1,320,630 as shown in *Attachment A*. Andes Construction, Inc. received a 5% discount as a certified SLBE bidding as a prime, making Andes Construction, Inc. the lowest bidder.

In general, the proposed work consists of replacing approximately 2,100 linear feet of existing sewer with 8" diameter VCP; replacing approximately 4,300 linear feet of existing sewer with 8" diameter HDPE; installing approximately 6,400 linear feet of existing sewer with 8" diameter line; rehabilitating or replacing over 110 sewer structures; reconnecting house connection sewers; rehabilitating house connection sewer and other related works as indicated on the plans and specifications. 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.

Since this project was advertised and bids accepted, PWA staff has made significant revisions to the Standard Specifications that deal with pipe materials, rehabilitation methods, testing of rehabilitated pipes, and connections to house laterals. These changes have a direct impact on the basis for measurements and payment for completed work and affect the construction cost of the project. Staff determined that it is more cost effective and less risky to re-bid the contract based on the new specifications.

**KEY ISSUES AND IMPACTS**

Staff has reviewed the submitted bids for this work and determined that the modified Standard Specifications will affect the project cost.

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The modified project schedule estimates that new bids will be received and opened in August 2004 and construction to begin in October 2004. Staff will return to Council in September 2004 to award a contract to the lowest responsible bidder. The contract specifies \$1,000 in liquidated damages per calendar day if the contract completion time of 120 working days is exceeded.

**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 all bids for the Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and Macarthur Boulevard – Subbasin 84-112 (Project No. C158110) be rejected and to advertise and invite new bids based on the revised Specifications.

**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, Manager  
Engineering Design Division

Prepared by:  
Fuad Sweiss, Supervising Civil Engineer  
Engineering Design Division

APPROVED AND FORWARDED TO  
THE CITY COUNCIL:

  
**OFFICE OF THE CITY ADMINISTRATOR**

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*Attachment A*

**Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and  
MacArthur Boulevard – Subbasin 84-112  
(Project No. C158110)**

**List of Bidders**

| Company                         | Status      | Location       | Bid Amount         |
|---------------------------------|-------------|----------------|--------------------|
| D'Arcy & Harty                  |             | San Francisco  | \$1,275,037        |
| <b>Andes Construction, Inc.</b> | <b>SLBE</b> | <b>Oakland</b> | <b>\$1,320,630</b> |

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OAKLAND

# OAKLAND CITY COUNCIL

RESOLUTION No. \_\_\_\_\_ C. M. S.



2004 JUL -8 PM 7:05  
INTRODUCED BY COUNCILMEMBER \_\_\_\_\_

Requires two-thirds vote of the Council

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO REJECT ALL BIDS AND TO RE-BID THE REHABILITATION OF SANITARY SEWERS IN THE AREA BOUNDED BY CREST, MICHIGAN AND 82<sup>ND</sup> AVENUES AND MACARTHUR BOULEVARD - SUBBASIN 84-112 (PROJECT NO. C158110), USING NEW REVISED STANDARD SPECIFICATIONS**

**WHEREAS**, on October 13, 2003, 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 Crest, Michigan and 82<sup>nd</sup> Avenues and Macarthur Boulevard – Subbasin 84-112 (Project No. C158110); and

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

**WHEREAS**, during the process of awarding the project to the lowest bidder, the City made significant changes to the Project Standard Specification; and

**WHEREAS**, the revised Standard Specification has changed the construction cost substantially; now, therefore, be it

**RESOLVED**: That all bids for the Rehabilitation of Sanitary Sewers in the Area Bounded by Crest, Michigan and 82<sup>nd</sup> Avenues and Macarthur Boulevard – Subbasin 84-112 (Project No. C158110) are hereby rejected; and be it

**FURTHER RESOLVED**: That the project shall be re-bid using the new revised Standard Specification Prepared by Public Works; and be it

**FURTHER RESOLVED**: That the City Clerk is hereby directed to post conspicuously forthwith notice of above award on official bulletin board in the Office of the City Clerk.

N COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2004

PASSED BY THE FOLLOWING VOTE:

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

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California  
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OAKLAND COUNCIL  
JUL 20 2004