



AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Jason Mitchell
Director, Public Works

SUBJECT: Increase to On-Call Construction
Service Contract with Beliveau
Engineering Contractors, Inc.

DATE: February 3, 2020

City Administrator Approval

Date:

2/10/2020

RECOMMENDATION

Staff Recommends That The City Council To Adopt A Resolution Authorizing The City Administrator, Or Designee, To

1) Waive Advertising And Competitive Bidding And Increase The On-Call Construction Service Contract With Beliveau Engineering Contractors, Inc. By An Amount Of Seven Hundred Thirty Thousand Dollars (\$730,000.00) From Two Hundred Fifty Thousand Dollars (\$250,000.00) To A Total Contract Amount Of Nine Hundred Eighty Thousand Dollars (\$980,000.00); And

2) Reallocate Additional Funds Of Six Hundred Thousand Dollars (\$600,000.00) Aggregated From Measure KK Bond Project Funds - Fire Station Roof Replacement Project (No. 1003437) In The Amount of One Hundred Seventy Thousand Dollars (\$170,000.00) and Fire Station Feasibility Study Project (No. 1003435) In The Amount of Four Hundred Thirty Thousand Dollars (\$430,000) To The Citywide Fire Stations Aprons And Hardscape Project (No. 1003436) For Construction And Project Contingency.

EXECUTIVE SUMMARY

Approval of the resolution will authorize the City Administrator or Designee to waive competitive bidding and increase the 2016 On-Call Construction Service contract amounts with Beliveau Engineering Contractors, Inc. (Beliveau) from \$250,000 to a total contract amount not-to-exceed \$980,000 to complete the construction of the Citywide Fire Stations Aprons and Hardscape Project (No. 1003436) approved under City's Fiscal Year 2017-2021 Capital Improvement Budget. The increased contract limit will allow the completion of the replacement of aprons and hardscape at the following Fire Stations: Stations 13, 19, 10, and 17.

BACKGROUND / LEGISLATIVE HISTORY

In November 2016, Measure KK General Obligation Bond was approved by the voters of Oakland to fund \$600 million of vital infrastructure maintenance improvements. On May 30, 2017, staff recommended to City Council in the Fiscal Year (FY) 2017-19 Capital Improvement

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February 25, 2020

Program (CIP), projects proposed to be funded with Measure KK bond funds. On June 19, 2019, the City Council approved this list of projects for bond funding in Resolution No. 86773 C.M.S. On August 1, 2017, the Measure KK, Series 2017A-1 General Obligation Bond (the "Bond") was funded for \$62.735 million, of which \$1.0 million was allocated for the Citywide Fire Stations Apron and Hardscape Project (No. 10003436). The fund was appropriated in the FY 2017-19 budget in Fund 5330.

The project scope of work consists of removing and replacing the fire stations asphalt concrete parking lot with a concrete driveway at fire stations 23, 27, 21, 16, 8, 5, 13, 19, 10, and 17.

Stations 23 and 27 were completed utilizing City in-house forces. The remaining top three priority Stations (21, 16, and 8) are being completed using an existing on-call Citywide Pavement Rehabilitation Contract.

ANALYSIS AND POLICY ALTERNATIVES

On-Call Construction Contract Increase:

Beliveau Engineering Construction, Inc. has an existing On-Call Construction Service Contract issued in 2018 with a limit of \$250,000.00 under the City Administrator's contracting authority Per Oakland Municipal Code (OMC) Section 2.04.020. A.1.

The bid invitation for the remaining Fire Stations (5, 13, 19, 10, and 17) Apron and Hardscape scope of work was issued to the Public Works existing On-Call Construction Service Contract (five contractors) on October 16, 2019. On October 31, 2019, the City received one proposal from Beliveau Engineers, Inc. for Station 5 and alternates for remaining stations (13, 19, 10, and 17). The limit of Beliveau's contract is unable to complete the remaining facilities. The cost for each of the stations and the contract expansion required are as follow:

Base Bid (Fire Station5)	\$ 122,000.00
Bid Alternative No. 1 (Fire Station19)	\$ 193,000.00
Bid Alternative No. 2 (Fire Station13)	\$ 217,000.00
Bid Alternative No. 3 (Fire Station10)	\$ 118,200.00
<u>Bid Alternative No. 4 (Fire Station17)</u>	<u>\$ 88,600.00</u>
Sub-total Construction Cost:	\$ 738,800.00
<u>Construction Contingency Allowance (15%):</u>	<u>\$ 111,200.00</u>
Total Construction Budget Need:	\$ 850,000.00
<u>Less Available Remaining on-call Contract Capacity</u>	<u>\$ 122,000.00</u>
Net Contract Increase Required	<u>\$ 728,000.00</u>

Within Beliveau's existing on-call contract limit, Fire Station 5 can be contracted. The remaining four stations, totaling net cost and contingency of \$728,000.00, require additional contract capacity.

Waiver of Advertising and Competitive Bidding Requirement:

Oakland Municipal Code (“OMC”) section 2.04.050 requires advertising and competitive bidding for contracts for the purchase of services, supplies or combination required by the City in any one transaction which exceeds \$50,000, and the award to the lowest responsible, responsive bidder if an award is made. However, OMC Title 2, Chapter 2.0, Article I, Section 2.04.050.I 5 provides an exception to this advertising and competitive bidding requirement when specifically authorized by the City Council after a finding and determination that it is in the best interests of the City.

Staff requests that the City Council find and determine that it is in the best interests of the City to waive advertising and competitive bidding based on the following basis

- As the construction industry market is experiencing tremendous growth, pricing offered by the general contractors and subcontractors can only be held with offering a full scope contract.
- The contractor has received notifications from suppliers that material prices are increasing monthly.
- Time is of the essence to complete the construction of the project by mid-2020 to meet the Fire Department’s priority for operational needs.
- No other contractors submitted bids to execute this work.

It is in the best interest of the City to approve the proposed resolution and waive further advertising and competitive bidding per the OMC Section 2.04.050.I.5, to increase the contract and complete the remaining scope for the reasons stated above. Staff is requesting approval to increase the on-call construction contract by \$730,000.00 from \$250,000.00 to \$980,000.00 in order to complete the Citywide Fire Stations Apron and Hardscape Project. Beliveau Engineering Contractors Inc. will be required to meet the City’s Local and Small Local Business Enterprise Program as scope orders are issued.

Additional Construction Fund Need:

The additional scope will be funded utilizing the remaining balance from other Measure KK Fire Station projects. The Fire Station Roof Replacement Project (No. 1003437) has been substantially completed, and \$170,000.00 remains. The Feasibility Study for Fire Station 4 & 29 project (No. 1003435) was allocated \$1 million for the project. There is currently \$800,000 available. Station 29 will receive funds for the project implementation under Measure KK second series bond sale as approved in the Fiscal Year 2019-21 Capital Improvement Program Budget in June 2019. Fire Station 4 requires site search before project design can begin. As a result, a temporary reallocation of \$430,000.00 from the Feasibility Study will have minimal impact and will also allow expenditure of bond funds to meet bond regulations. The funding reallocation will provide sufficient funds to complete the Fire Station Apron & Hardscape project.

FISCAL IMPACT

The additional construction fund needed for the project is as follows:

Construction contract for remaining stations:	\$ 738,800.00
Construction contingency (15%):	\$ 111,200.00
Total fund need:	\$ 850,000.00
Less current available construction funds:	\$ 250,000.00
Fund Shortfall:	\$ 600,000.00

Additional fund for the remaining contract scope is available in the following fund sources:

FUNDING SOURCE	AMOUNT
Measure KK (Fund 5330); (Award 23253) Capital Projects Organization (30557); Repair and Maintenance Account (54615); Fire Station Roof Replacement; Project No. 1003437; Program (IN06)	\$170,000.00
Measure KK (Fund 5330); (Award 23253) Capital Projects Organization (92270); Street Construction Account (57411); Fire Station Feasibility Study; Project No. 1003435; Program (IN06)	\$430,000.00
Total Available Funding	\$600,000.00

Reallocated funds shall be placed in the Citywide Fire Stations Apron and Hardscape Project (No. 1003436), Fund 5330/Award 23253, Capital Projects Organization (92270); Construction Account (57212).

PUBLIC OUTREACH / INTEREST

The increase of the on-call contract will not involve public outreach. For the construction at the fire facilities, the neighboring residents and establishments affected by the work will be notified of the construction activities and project contact information prior to the start of construction. During construction, a temporary traffic control flagger will direct traffic and set up temporary traffic control devices to protect public safety and to minimize disruptions to the public. The Fire Station driveway will temporarily be closed for a week, and the construction will be phased so that only half of the apron will be closed while the other half remains open for Fire Department operation.

COORDINATION

The proposed fund allocations and scope of work to be completed have been coordinated with the Oakland Fire Department and appropriate divisions within the Public Works Department and Contract and Compliance Department.

This report and the resolutions have been reviewed for form and legality by the Office of the City Attorney and the Budget Bureau of the Finance Department.

SUSTAINABLE OPPORTUNITIES

Economic: This project replaces damaged and aged City infrastructure. The contractor is verified for Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) participation by the Contract & Compliance Department of the City Administrator's Office. The construction services provided by local firms will result in dollars being spent locally.

Environmental: The contractor is required to comply with the City's Waste Recycling and Re-use Plan (WRRP). Best Management Practices shall be required to prevent stormwater runoff from the job site during construction.

Race & Equity: Fire Station 5, 13, 19, 10, and 17 are in an area of high ethnic diversity, low income, and limited English speaking communities. Improvements to the existing facility and assets will provide safety services to a densely populated and diverse community. The project will improve access for ADA equitable access for those who have mobility constraints.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council Adopt a Resolution authorizing the City Administrator, or Designee, to

1) Waive advertising and competitive bidding and authorize the City Administrator, or Designee, to increase the on-call construction service contract with Beliveau Engineering Contractors, Inc. by an amount of seven hundred thirty thousand dollars (\$730,000.00) from two hundred fifty thousand dollars (\$250,000.00) to a total contract amount of nine hundred eighty thousand dollars (\$980,000.00); and

2) Reallocate additional funds of six hundred thousand dollars (\$600,000.00) aggregated from Measure KK bond project funds -- Fire Station Roof Replacement Project (No. 1003437) in the amount of one hundred seventy thousand dollars (\$170,000.00) and Fire Station Feasibility Study Project (No. 1003435) in the amount of four hundred thirty thousand dollars (\$430,000.00) to the Citywide Fire Stations Aprons and Hardscape Project (No. 1003436) for construction and project contingency.

For questions regarding this report, please contact Ha Nguyen, Capital Improvement Project (CIP) Coordinator at (510) 238-7213.

Respectfully submitted,



JASON MITCHELL
Director, Oakland Public Works

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Reviewed by:
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Attachments (1): A: Project Location Map