



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: David Ferguson
Interim Director, Public
Works

SUBJECT: Sanitary Sewer Pump Station

DATE: Novemehr 2, 2020

City Administrator Approval

Date: Nov 13, 2020

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Rejecting All Bids, Waiving Further Advertising And Competitive Bidding, Authorizing The City Administrator, Or Designee, To Negotiate, Award And Execute A Construction Contract Without Return To Council For An Amount Not To Exceed Two Million One Hundred Fifty-Six Thousand Six Hundred Fifty Dollars (\$2,156,650.00) In The Open Market For Rehabilitation Of Parkridge Dr, Skyline Blvd, And Denton Ct Sanitary Sewer Pump Station (Project No. 1001433) In Accordance With Plans And Specifications.

EXECUTIVE SUMMARY

The City issued a Notice of Inviting Bids for the Sanitary Sewer Pump Station project on July 9, 2020 with four (4) bids received on July 30, 2020. All four bids did not meet the City's Local Business and Small Local Business enterprise (LBE/SLBE) requirements and are deemed non-responsive by the Contract Compliance Office of the Department of Workforce And Employment Standards.

Approval of this resolution will reject all bids and waive further advertising and competitive bidding per the Oakland Municipal Code (OMC) Section 2.04.050.I.5, and authorize the City Administrator or designee to negotiate, award, and execute a construction contract on the open market in an amount not to exceed two million one hundred fifty-six thousand six hundred fifty dollars (\$2,156,650.00).

BACKGROUND / LEGISLATIVE HISTORY

The Sanitary Sewer Pump Station project was first bid on August 9, 2018, and all four bids exceeded the City's adopted budget. Additional funding was appropriated, and the project scope was adjusted. The project was sent out for rebid on July 9, 2020. The project will provide an automatic alarm system, backup or redundant equipment, and will upgrade mechanical and electrical components of three existing sanitary sewer pumps. This project is part of the sanitary sewer program intended to improve the sanitary sewer pump stations and is required under the 2014 Sewer Consent Decree. On March 14, 2011, The Environmental Protection Agency (EPA) approved the City of Oakland's Pump Station Reliability Plan. The Sewer Consent Decree mandates that all seven (7) pump stations in the City are rehabilitated by October 15, 2022. Four (4) out of the seven (7) pump stations were rehabilitated in FY 2018. This project will rehabilitate the remaining three (3) pump stations. The work for this project is located, as shown in **Attachment A**.

ANALYSIS AND POLICY ALTERNATIVES

On July 30, 2020, the City Clerk received four bids for this project in the amount of \$2,156,650.00, \$2,332,800.00, \$2,529,000.00, and \$2,865,050.00 from Beliveau Engineering Contractors, Inc., Bay Construction, Inc., D-Line Constructors, Inc., and McGuire & Hester, respectively, as shown in **Attachment B**. All bids were deemed non-responsive because all firms failed to meet the minimum 50% LBE/SLBE participation requirement. The LBE/SLBE information has been verified by the Contract Compliance Office of the Department of Workforce And Employment Standards, in **Attachment C**.

Staff recommends rejecting all bids, waiving further advertising and competitive bidding, authorizing the City Administrator, or Designee, to negotiate, award, and execute a construction contract without return to Council for an amount not to exceed \$2,156,650.00. The timely award of the construction contract will allow sanitary sewer pump station rehabilitation to begin in April 2021 and should be completed by December 2021. The contract specifies \$500 in liquidated damages per calendar day if the contract is not completed within 180 working days. The project schedule is shown in **Attachment B**.

In accordance with Oakland Municipal Code (OMC) Section 2.04.050, which requires advertising and competitive bidding for contracts that exceed \$50,000; section 2.04.050.I.5 provides an exception to the advertising and competitive bidding requirements upon a finding and determination by the City Council that it is in the best interests of the City to do so. In addition, OMC section 2.04.050.J states that if no valid bids are received after advertising as required, the City Administrator may proceed to hire or have the services performed or purchase the supplies in the open market.

Thus, per OMC 2.04.050.1.5, staff recommends that it is in the City's best interest to waive further advertising and competitive bidding in order to meet the 2014 Sewer Consent Decree deadline of October 15, 2022 for sanitary sewer pump stations improvement. The City will negotiate to secure a contract in the open market that is within the project budget and in compliance with City's L/SLBE participation requirements. A market & availability analysis will be conducted on materials relevant to the pump and control system because the associated costs are over 50% of the contract bids.

FISCAL IMPACT

Approval of this resolution authorizes the City Administrator to award a construction contract for an amount not to exceed two million one hundred fifty-six thousand six hundred fifty dollars (\$2,156,650.00) in the open market for rehabilitation of Parkridge Drive, Skyline Boulevard, and Denton Court sanitary sewer pump stations. Funding for the construction contract is available in the following funding sources:

Table 1: Funding Sources

<u>Fund Source</u>	<u>Organization</u>	<u>Project</u>	<u>AMOUNT</u>
3100 – Sewer Service Fund	92244 – Engineer Design: Sanitary Sewer	1001433 – Parkridge Skyline Denton S SWR	\$2,156,650.00
Total Funding			\$2,156,650.00

There is no impact on the General Purpose Fund and no additional funding is requested.

PUBLIC OUTREACH / INTEREST

Staff provided notice to labor representatives, per the terms and conditions of the current Memorandums of Understanding with Local 21, Service Employee International (SEIU) 1021, and International Brotherhood of Electrical Workers (IBEW).

A legal advertisement was formally advertised in a total of six (6) newspapers in various languages, including the Daily Pacific Builder, El Mundo, The Korea Times (S.F.), East Bay Times, Oakland Post, and World Journal. The City's web-based procurement system iSupplier and CIPlist.com were utilized for distribution of the documents available free of charge online.

The residents in the area have been notified in writing about this project. Prior to starting work, residents who are affected by the work will be notified individually of the work schedule, and planned activities, and will receive the contact information of the Contractor and Resident Engineer/Inspector in charge.

COORDINATION

The work to be done under the contract was coordinated with Oakland Public Works (OPW) Bureau of Maintenance and Internal Service. This report and resolution have been reviewed by the Office of the City Attorney and the Budget Bureau. In addition, the Department of Workplace and Employment Standards provided the compliance analyses of submitted firms.

SUSTAINABLE OPPORTUNITIES

Economic: A functioning sanitary sewer system improves the community and makes Oakland more attractive for residents and businesses. Failure to rehabilitate all seven (7) pump stations by October 15, 2022 will result in stipulated penalties by the EPA between \$500 and \$1,500 a day.

Environmental: The improvements to the sanitary sewer pump stations will increase the reliability of the system and reduce the possibility of overflows, thereby benefiting the environment.

Race & Equity: Implementation of the Project will eliminate wastewater discharges and overflows, thereby benefiting all Oakland residents with decreased sewer overflows and improved infrastructure.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Rejecting All Bids, Waiving Further Advertising And Competitive Bidding, Authorizing The City Administrator, Or Designee, To Negotiate, Award And Execute A Construction Contract Without Return To Council For An Amount Not To Exceed Two Million One Hundred Fifty-Six Thousand Six Hundred Fifty Dollars (\$2,156,650.00) In The Open Market For Rehabilitation Of Parkridge Dr, Skyline Blvd, And Denton Ct Sanitary Sewer Pump Station (Project No. 1001433) In Accordance With Plans And Specifications.

For questions regarding this report, please contact Jimmy Mach, Wastewater Engineering Management Division Manager, at 510-238-3303.

Respectfully submitted,



DAVID FERGUSON
Interim Director, Oakland Public Works

Reviewed by:
Matthew Lee, P.E., Interim Assistant Director
Bureau of Design & Construction

Reviewed by:
Jimmy Mach, P.E., Division Manager
Wastewater Engineering Management Division

Prepared by:
Wen Chen, P.E., Supervising Civil Engineer
Wastewater Engineering Management Division

Attachments (3):

- A: Project Location Map
- B: List of Bidders and Project Construction Schedule
- C: Contracts & Compliance Unit Compliance Evaluation