



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: David Ferguson
Interim Director, Public
Works

SUBJECT: Rehabilitation of Sanitary Sewers

DATE: November 2, 2020

City Administrator Approval 

Date: Nov 17, 2020

RECOMMENDATION

Staff Recommends That City Council Adopt The Following Legislation:

- 1. A Resolution Awarding A Construction Contract To Andes Construction, Inc., The Lowest Responsive And Responsible Bidder, In Accordance With Project Specifications For The On-Call Sanitary Sewers Emergency Projects FY 2021-24 (Project No. 1000720) And With Contractor's Bid For An Amount Not To Exceed One Million Seven Hundred Two Thousand Two Hundred Twenty Dollars (\$1,702,220.00), AND**
- 2. A Resolution Awarding A Construction Contract To Pacific Trenchless, Inc., The Lowest Responsive And Responsible Bidder, In Accordance With Project Specifications For Sanitary Sewer Capacity Upgrade on Maybelle Ave And High St (Project No. 1004844) And With Contractor's Bid For An Amount Not To Exceed One Million Three Hundred Seventy-Seven Thousand Forty-Four Dollars (\$1,377,044.00).**

EXECUTIVE SUMMARY

The Sanitary Sewer on Call Project is part of the citywide program to eliminate waste water discharge/overflows, improve pipe conditions and increase flow capacity.

Approval of these resolutions will authorize the City Administrator or designee to enter into a construction contract with Andes Construction, Inc. in the amount of \$1,702,220.00 for the On-Call Sanitary Sewers Emergency Projects (Project No. 1000720), and to enter into a construction contract with Pacific Trenchless, Inc. in the amount of \$1,377,044.00 for the Sanitary Sewer Capacity Upgrade on Maybelle Ave and High St (Project No. 1004844). Both projects support the sanitary sewer program and the 2014 Sewer Consent Decree.

BACKGROUND / LEGISLATIVE HISTORY

The Environmental Protection Agency (EPA) mandates the reduction of sanitary sewer overflows during storm events. These projects to be completed are part of the City's annual sanitary sewer rehabilitation program (to rehabilitate 68,640 feet of sewer main) intended to improve the pipe conditions and reduce wet weather peak flows in the sanitary sewer system and are required under the 2014 Sewer Consent Decree.

1. On-Call Sanitary Sewers Emergency Projects FY 2021-24 (Project No. 1000720): The proposed work consists of rehabilitating sanitary sewers and appurtenant structures in the City streets or back yard/side-yard easements. Sanitary sewers rehabilitation work under this contract will be performed on an as-needed basis and as directed by the Engineer through work/task orders. Location will vary city-wide throughout Oakland and will be determined by the Engineer.
2. Sanitary Sewer Capacity Upgrade on Maybelle Ave and High St (Project No. 1004844): The proposed work consists of rehabilitating approximately 2,808 linear feet of existing 10-inch to 12-inch diameter sewer pipes by pipe-expanding, open trench or cured-in-place pipe method; rehabilitating sewer structures; reconnecting and rehabilitating house sewer connections, and other related work as indicated on the plans and specifications. The work for this project is located, as shown in **Attachment A**.

ANALYSIS AND POLICY ALTERNATIVES

Adoption of the resolutions will allow the City Administrator or designee to execute a construction contract with Andes Construction, Inc. and a construction contract with Pacific Trenchless, Inc. for sewer rehabilitation projects as follows:

1. On-Call Sanitary Sewers Emergency Projects FY 2021-24 (Project No. 1000720). On September 10, 2020, the City Clerk received three (3) bids for this project in the amount of \$1,702,220.00, \$1,882,480 and \$2,271,248.00 from Andes Construction Inc., Pacific Trenchless, Inc., and D-Line Construction Inc., respectively, as shown in **Attachment B1**. Andes Construction, Inc. was deemed the lowest responsive and responsible bidder and is recommended for the award.

Under the proposed contract with Andes Construction, Inc., the Local Business Enterprise/Small Local Business Enterprise (LBE/SLBE) participation will be 99.41 percent, which exceeds the City's 50 percent LBE/SLBE requirement. Trucking participation is 100 percent and exceeds the 50 percent requirement. The contractor is required to have 50 percent of the work hours performed by Oakland residents, and 50 percent of all new hires are to be Oakland residents. The LBE/SLBE information has been verified by the compliance officer of the Department of Workplace and Employment Standards, in **Attachment C1**.

Construction is scheduled to begin in April 2021 and should be completed by April 2024. The contract specifies \$500 in liquidated damages per calendar day should the contractor cause the work to be delayed. The project schedule is shown in **Attachment B1**.

The Engineer's estimate for the work is \$1,963,600. Staff has reviewed the submitted bids for the work and has determined that the bid is responsive and reasonable for the current construction market condition.

2. Sanitary Sewer Capacity Upgrade on Maybelle Ave and High St (Project No. 1004844): On September 17, 2020, the City Clerk received three bids for this project in the amount of \$1,377,044.00, \$1,407,305.00 and \$1,663,663.00 from Pacific Trenchless, Inc., Andes Construction, Inc., and D-Line Construction, Inc., respectively, as shown in **Attachment B2**. Pacific Trenchless, Inc. was deemed the lowest responsive and responsible bidder and is recommended for the award.

Under the proposed contract with Pacific Trenchless, Inc., the Local Business Enterprise/Small Local Business Enterprise (LBE/SLBE) participation will be 91.44 percent, which exceeds the City's 50 percent LBE/SLBE requirement. Trucking participation is 100 percent and exceeds the 50 percent requirement. The contractor is required to have 50 percent of the work hours performed by Oakland residents, and 50 percent of all new hires are to be Oakland residents. The LBE/SLBE information has been verified by the compliance officer of the Department of Workplace and Employment Standards, in **Attachment C2**.

Construction is scheduled to begin in April 2021 and should be completed by April 2022. The contract specifies \$500 in liquidated damages per calendar day should the contractor cause the work to be delayed. The project schedule is shown in **Attachment B2**.

The Engineer's estimate for the work is \$1,621,860.00. Staff has reviewed the submitted bids for the work and has determined that the bid is responsive and reasonable for the current construction market condition.

FISCAL IMPACT

Approval of the first resolution authorizes the City Administrator to award a construction contract to Andes Construction, Inc. for an amount not to exceed one million seven hundred two thousand two hundred twenty dollars (\$1,702,220.00) for on-call sanitary sewer emergency projects for Fiscal Years 2021-2024. Funding for the construction contract is available in the following funding sources:

Table 1: Resolution 1 Project Funding Sources

Fund Source	Organization	Project	AMOUNT
3100 – Sewer Service Fund	92244 – Engineer Design: Sanitary Sewer	1000720 – Emergency Misc. Sewers (Capital)	\$300,000.00
3100 – Sewer Service Fund	92244 – Engineer Design: Sanitary Sewer	1005411 – P1000720 Emergency Misc. Sewers (Operating)	\$1,402,220.00
Total Funding			\$1,702,220.00

Approval of the second resolution authorizes the City Administrator to award a construction contract to Pacific Trenchless, Inc. for an amount not to exceed one million three hundred seventy-seven thousand forty-four dollars (\$1,377,044.00) for sanitary sewer capacity upgrades in Maybelle Avenue and High Street. Fund for the construction contract is available in the following funding sources:

Table 2: Resolution 2 Project Funding Sources

Fund Source	Organization	Project	AMOUNT
3100 – Sewer Service Fund	92244 – Engineer Design: Sanitary Sewer	1004844 - SS Capacity Upgrade Maybelle	\$1,100,000.00
3100 – Sewer Service Fund	92244 – Engineer Design: Sanitary Sewer	1004843 – Sanitary Sewer Capacity Upgrade	\$277,044.00
Total Funding			\$1,377,044.00

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 CIList.com were utilized for distribution of the documents available free of charge online.

General notices have been sent out to the community about these projects. Prior to starting work, individual residents who are affected will be notified of the work schedule, planned

activities, and 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.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

The Contractor Performance Evaluation for Andes Construction, Inc. and Pacific Trenchless, Inc. from a previously completed project are satisfactory and are included in **Attachment D1 and Attachment D2**, respectively.

SUSTAINABLE OPPORTUNITIES

Economic: A functioning sanitary sewer system improves the community and makes Oakland more attractive for residents and businesses. Sewer overflows cause economic hardships and result in stipulated penalties by the EPA between \$100 and \$25,000 per event.

Environmental: The improvements to the sanitary sewer system will reduce the possibility of overflows, thereby benefiting the environment.

Race & Equity: The Sanitary Sewer On-call Project is part of the citywide program to eliminate wastewater discharges and overflows, thereby benefiting all Oakland residents with decreased sewer overflows and improved infrastructure. The Sewer Capacity Upgrades Project will benefit the surrounding underserved neighborhoods by reducing sanitary sewer overflows.

ACTION REQUESTED OF THE CITY COUNCIL


Staff recommends that the City Council adopt the following resolutions:

1. Resolution Awarding A Construction Contract To Andes Construction, Inc., The Lowest Responsive And Responsible Bidder, In Accordance With Project Specifications For The On-Call Sanitary Sewers Emergency Projects FY 2021-24 (Project No. 1000720-3.0) And With Contractor's Bid For An Amount Not To Exceed One Million Seven Hundred Two Thousand Two Hundred Twenty Dollars (\$1,702,220.00).
2. Resolution Awarding A Construction Contract To Pacific Trenchless, Inc., The Lowest Responsive And Responsible Bidder, In Accordance With Project

Specifications For Sanitary Sewer Capacity Upgrade on Maybelle Ave And High St (Project No. 1004844) And With Contractor's Bid For An Amount Not To Exceed One Million Three Hundred Seventy-Seven Thousand Forty-Four Dollars (\$1,377,044.00).

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

Respectfully submitted,



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Interim Director, Oakland Public Works

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Attachments (7):

- A: Project Location Map
- B1 & B2: List of Bidders and Project Construction Schedule
- C1 & C2: Contracts & Compliance Unit Compliance Evaluation
- D1 & D2: Contractor Performance Evaluation