

CITY OF OAKLAND
AGENDA REPORT

2010 SEP 16 PM 4: 50

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Public Works Agency
DATE: September 21, 2010

RE: **Supplemental Report And Revised Resolution Authorizing The City Administrator To Award A Construction Contract For Citywide Street Resurfacing And Slurry Sealing (Project No. C317610) To Gallagher And Burk, Inc., In Accord With Plans And Specifications For The Project And Contractor's Bid In The Amount Of Three Million Thirty-Two Thousand Seventy-Nine Dollars And Eighty Cents (\$3,032,079.80)**

SUMMARY

On September 14, 2010, staff presented a resolution of intention to award a construction contract to Gallagher & Burk, Inc. in the amount of \$3,032,079.80 contingent upon staff determining that the bid is responsive. The compliance evaluation was not complete at the time of writing the report. At that meeting, the members of the Public Works Committee directed staff to prepare a supplemental report to confirm if the bid is deemed responsive and responsible.

This supplemental report is in response to the request and a revised resolution confirms the awarding of the construction contract.

BACKGROUND

On August 12, 2010, the City Clerk received only one bid for this project. Gallagher and Burk, Inc. submitted a bid in the amount of \$3,032,079.80. Gallagher and Burk, Inc. is deemed responsive and responsible. The engineer's estimate for the construction work is \$3,346,760.00.

Under the proposed contract with Gallagher & Burk, Inc., Local Business Enterprise and Small Local Enterprise (LBE/SLBE) participation of \$2,573,080 (84.86%) exceeds the City's 20% LBE/SLBE requirement. The contractor shows \$60,000 (100%) for trucking exceeding the 20% Local Trucking requirement. The contractor is required to have 50% of the work hours performed by Oakland residents, and 50% of all new hires are to be Oakland residents. The LBE/SLBE information has been verified by the Contract Compliance Division of the Department of Contracting and Purchasing and is shown in *Attachment A*.

Item: _____
City Council
September 21, 2010

RECOMMENDATION AND RATIONALE

Staff recommends the construction contract be awarded to Gallagher and Burk, Inc., in the amount of three million thirty-two thousand seventy-nine dollars and eighty cents (\$3,032,079.80).

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution.

Respectfully submitted,

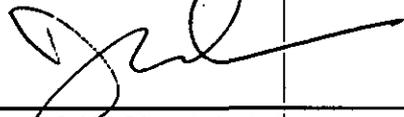


Vitaly B. Troyan, P.E., Interim Director
Public Works Agency

Reviewed by:
Michael Neary, P.E., Assistant Director
PWA, Department of Engineering and Construction

Prepared by:
Allen Law, P.E., Supervising Civil Engineer
Engineering Design and Right of Way Management Division

APPROVED AND FORWARDED TO
THE CITY COUNCIL:



Office of the City Administrator

Attachment A

*Plans for the Citywide Street Resurfacing and Slurry Sealing
(Project No. C317610)*

**Department of Contracting and Purchasing
Compliance Evaluation**

Memo

Department of Contracting and Purchasing

Social Equity Division

To: Jimmy Mach - Project Manager
From: Sophany Hang - Acting Contract Compliance Officer
Through: Shelley Darenburg - Sr. Contract Compliance Officer *S. Darenburg*
CC: Deborah Barnes - DC & P Director
 Gwen McCormick - Contract Administration Supervisor
Date: September 14, 2010
Re: C317610-Citywide Street Resurfacing and Slurry Sealing

The Department of Contracting and Purchasing (DC&P), Division of Social Equity, reviewed one (1) bid in response to the above referenced project. Below is the outcome of the compliance evaluation for the minimum 20% Local and Small Local Business Enterprise (L/SLBE) participation requirement, a preliminary review for compliance with the Equal Benefits Ordinance (EBO), and a brief overview of the lowest responsible bidder's compliance with the 50% Local Employment Program (LEP) and the 15% Oakland Apprenticeship Program on the bidder's most recently completed City of Oakland project.

Responsive		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount		
Gallagher & Burk, Inc.	\$3,032,079.80	84.86%	72.43%	12.43%	NA	24.86%	NA	NA	NA	Y

Comments: As noted above, Gallagher & Burk, Inc. met and/or exceeded the minimum 20% Local/Small Local Business Enterprise participation requirement. The firm is and EBO compliant.

Non-Responsive		Proposed Participation				Earned Credits and Discounts			Banked Credits Eligibility	EBO Compliant? Y/N
Company Name	Original Bid Amount	Total LBE/SLBE	LBE	SLBE	Trucking	Total Credited participation	Earned Bid Discounts	Adjusted Bid Amount		
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Comments: NA



For Informational Purposes

Listed below is the lowest responsible bidder's compliance with the 50% Local Employment Program (LEP) and the 15% Oakland Apprenticeship Program for the lowest bidder's most recently completed City of Oakland project.

Contractor Name: Gallagher & Burk, Inc.
Project Name: Citywide Street Resurfacing and Slurry 2006-2007
Project No: C234910

50% Local Employment Program (LEP)

Was the 50% LEP Goal achieved?	Yes	If no, shortfall hours?	
Were all shortfalls satisfied?	Yes	If no, penalty amount	

15% Oakland Apprenticeship Program

Was the 15% Apprenticeship Goal achieved?	No	If no, shortfall hours?	
Were shortfalls satisfied?	Yes	If no, penalty amount?	

The spreadsheet below provides details of the 50% LEP and 15% Apprenticeship Programs. Information provided includes the following data: A) total project hours, B) core workforce hours deducted, C) LEP project employment and work hour goal; D) LEP employment and work hours achieved; E)# resident new hires; F) shortfall hours; G) percent LEP compliance; H) total apprentice hours; I) apprenticeship goal and hours achieved; and J) Apprentice shortfall hours.

Total Project Hours	50% Local Employment Program (LEP)							15% Apprenticeship Program				
	Core Workforce Hours Deducted	LEP Project Employment and Work Hours Goal		LEP Employment and Work Hours Achieved		# Resident New Hires	Shortfall Hours	% LEP Compliance	Total Oakland Apprenticeship Hours Achieved	Apprenticeship Goal and Hours		Apprentice Shortfall Hours
		Goal	Hours	Goal	Hours					Goal	Hours	
A	B	C	C	D	D	E	F	G	H	I	I	J
8337	4168	50%	2084	100%	2084	0	0	100%	100	15%	1251	0

Comments: Gallagher & Burk, Inc. has met the Local Employment Program's 50% resident hiring goal with 100% resident employment and met the 15% Oakland Apprenticeship Program goals with 626 on-site hours and 626 off-site hours.

Should you have any questions, you may contact Sophany Hang at (510) 238-3723.

DEPARTMENT OF CONTRACTING AND PURCHASING



Social Equity Division

PROJECT EVALUATION FORM

PROJECT NO: C317610

PROJECT NAME: Citywide Street Resurfacing and Slurry Sealing

CONTRACTOR: Gallagher & Burk, Inc.

Engineer's Estimate:
\$3,346,706

Contractors' Bid Amount
\$3,032,079.80

Over/Under Engineer's Estimate
\$314,626

Discounted Bid Amount:
NA

Amount of Bid Discount
NA

Discount Points:
NA

- 1. Did the 20% requirements apply? **YES**

- 2. Did the contractor meet the 20% requirement? **YES**
 - a) % of LBE participation **72.43%**
 - b) % of SLBE participation **12.43%**

- 3. Did the contractor meet the Trucking requirement? **YES**
 - a) Total SLBE/LBE trucking participation **100%**

- 4. Did the contractor receive bid discounts? **NA**
(If yes, list the percentage received) **0%**

- 5. Additional Comments.

There is only one bidder. Therefore, bid discount is not applicable.

6. Date evaluation completed and returned to Contract Admin./Initiating Dept.

9/14/2010
Date

Reviewing Officer:

Sophing Hong

Date: 9/14/10

Approved By:

Shelley Dorensberg

Date: 9/14/10

LBE/SLBE PARTICIPATION

BIDDER 1

Project Name: **Citywide Street Resurfacing and Slurry Sealing**

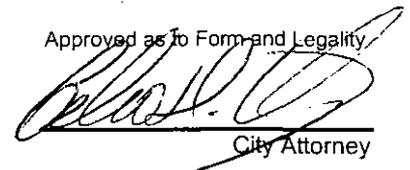
Project No.: C317610		Engineers Est:				Under/Over Engineers Estimate:				For Tracking Only.		
Discipline	Prime & Subs	Location	Cert. Status	LBE	SLBE	Total LBE/SLBE	L/SLBE Trucking	Total Trucking	TOTAL Dollars	Ethn.	MBE	WBE
PRIME	Gallagher & Burk, Inc.	Oakland	CB	2,196,080		2,196,080			2,196,080	C		
Minor Concrete	Rosas Brothers Construction	Oakland	CB		\$317,000	\$317,000			\$317,000	H	\$317,000	
Crack Seal	Bond Blacktop, Inc.	Union City	UB						\$9,000	C		
Slurry Seal	Valley Slurry Seal Co.	West Sacramento	UB						157,000	C		
Striping	Striping Graphics	Cotati	UB						\$280,000	C		
Trucking(Partial)	Williams Trucking	Oakland	CB		30,000	30,000	30,000	30,000	30,000	AA	30,000	
Trucking(Partial)	Monroe Trucking	Oakland	CB		30,000	30,000	30,000	30,000	30,000	AA	30,000	
Reset Monuments	Riley's Striping	Union City	UB						13,000	C		
Project Totals				\$2,196,080	\$377,000	\$2,573,080	\$60,000	\$60,000	\$3,032,080		\$377,000	\$0
				72.43%	12.43%	84.86%	100%	100%	100%		12.43%	0%
Requirements: The 20% requirements is a combination of 10% LBE and 10% SLBE participation. An SLBE firm can be counted 100% towards achieving 20% requirements.				LBE 10%	SLBE 10%	Total L/SLBE %	20% LBE/SLBE TRUCKING			Ethnicity AA = African American AI = Asian Indian AP = Asian Pacific C = Caucasian H = Hispanic NA = Native American O = Other NL = Not Listed MO = Multiple Ownership		
Legend		LBE = Local Business Enterprise SLBE = Small Local Business Enterprise Total LBE/SLBE = All Certified Local and Small Local Businesses NPLBE = NonProfit Local Business Enterprise NPSLBE = NonProfit Small Local Business Enterprise				UB = Uncertified Business CB = Certified Business MBE = Minority Business Enterprise WBE = Women Business Enterprise						

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 SEP 16 PM 4:50

REVISED-CLARIFICATION

Approved as to Form and Legality



City Attorney

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AWARDING A CONSTRUCTION CONTRACT FOR CITYWIDE STREET RESURFACING AND SLURRY SEALING (PROJECT NO. C317610) TO GALLAGHER AND BURK, INC., IN ACCORD WITH PLANS AND SPECIFICATIONS FOR THE PROJECT AND CONTRACTOR'S BID IN THE AMOUNT OF THREE MILLION THIRTY-TWO THOUSAND SEVENTY-NINE DOLLARS AND EIGHTY CENTS (\$3,032,079.80)

WHEREAS, the City of Oakland's street infrastructure is considered a significant asset that impacts the quality of life for those who live and work in Oakland; and

WHEREAS, the Proposition 1B bond revenues must be invested in improving local streets, roads, and/or other priority local transportation projects; and

WHEREAS, eligible projects for Proposition 1B are those that reduce congestion; increase traffic safety, or rehabilitate and maintain local roads; and

WHEREAS, the City Council adopted a 5-Year Paving Plan for FY 07-12, representing the optimized distribution of paving funds as analyzed by the City's Pavement Management Program; and

WHEREAS, the projects associated with the 5-Year Paving Plan for FY 07-12 are eligible for the Proposition 1B Funds; and

WHEREAS, the project locations associated with this project are selected from the City's 5-Year Paving Plan for FY 07-12; and

WHEREAS, the City of Oakland coordinates and screens all proposed streets for conflicts with sewer, storm drainage, gas, water, electrical, cable, and fiber optic replacement projects to insure that all underground rehabilitation work occurs prior to scheduled street rehabilitation projects; and

WHEREAS, there are sufficient Proposition 1B funds in the project budget for the work and funding for this work is available in the following project account: (2165); Streets and Structures Organization (92242); Street Construction Account (57411); Project No. C317610; \$3,700,000.00 and

WHEREAS, there are sufficient Measure B Bicycle/Pedestrian Pass-Thru funds in the project budget for the work and funding for this work is available in the following project account: (2212), Transportation Services Organization (92246), Street Construction Account (57411), Bicycle Facilities Design and Implementation Project FY 09-11 Project No. C371610;

\$225,000.00; and

WHEREAS, there are sufficient Measure B Bicycle/Pedestrian Pass-Thru funds in the project budget for the work and funding for this work is available in the following project account: (2212), Transportation Services Organization (92246), Street Construction Account (57411), Bicycle Facilities Design and Implementation Project FY 07-09 Project No. C318310; \$126,000.00; and

WHEREAS, there are sufficient Transportation Development Act (TDA) Article 3 funds in the project budget for the work and funding for this work is available in the following project account: (2162), Transportation Services Organization (92246), Street Construction Account (57411), 27th Street/Bay Place Bikeway Project No. C355210; \$50,000.00; and

WHEREAS, there are sufficient Transportation Development Act (TDA) Article 3 funds in the project budget for the work and funding for this work is available in the following project account: (2162), Transportation Services Organization (92246), Street Construction Account (57411), 27th Street/Bay Place Bikeway 09-10 Project No. C355220; \$65,000.00; and

WHEREAS, there are sufficient California Department of Transportation funds in the project budget for the work and funding for this work is available in the following project account: (2140), Transportation Services Organization (92246), Street Construction Account (57411), MacArthur Bikeway, Park to Lincoln Project No. G258810; \$121,500.00; and

WHEREAS, there are sufficient Bay Area Air Quality Management District funds in the project budget for the work and funding for this work is available in the following project account: (2166), Transportation Services Organization (92246), Street Construction Account (57411), MacArthur Bikeway, Park to Lincoln-BFP Project No. G258820; \$30,000.00; and

WHEREAS, there are sufficient Bay Area Air Quality Management District funds in the project budget for the work and funding for this work is available in the following project account: (2166), Transportation Services Organization (92246), Street Construction Account (57411), East 12th Street Bikeway Project No. C400110; \$10,500.00; and

WHEREAS, there are sufficient Bay Area Air Quality Management District funds (2166) fund Metropolitan Transportation Commission Program Grant Fund (2163), Capital Projects – Transportation Services Organization (92246), Street Construction Account (57411), Project No. pending; \$47,500.00; and

WHEREAS, this bicycle grant has a construction completion deadline of July 30, 2011; and

WHEREAS, the City advertised and issued a solicitation for bids for Citywide Street Resurfacing and Slurry Sealing (Project No. C317610), and on August 12, 2010, one bid was received by the Office of the City Clerk in response to the solicitation; and

WHEREAS, the one bid was from Gallagher & Burk, Inc. in the amount of \$3,032,079.80; and

WHEREAS, the Engineer's Estimate for the work is \$3,346,760.00; and

WHEREAS, the contractor's bid is deemed responsive and responsible; and

WHEREAS, the City Council finds that the City lacks the equipment and qualified personnel to

perform the necessary repairs and that the performance of this contract is in the public interest because of the economy; and

WHEREAS, the City Administrator has determined that this contract is professional, scientific or technical and temporary in nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive services; now, therefore, be it

RESOLVED: That a contract is awarded to Gallagher & Burk, Inc. in accordance with the plans and specifications for the Citywide Street Resurfacing and Slurry Sealing project (Project No. C317610) and the contractor's bid therefore, dated August 12, 2010, in the amount of three million thirty-two thousand seventy-nine dollars and eighty cents (\$3,032,079.80); and be it

FURTHER RESOLVED: That the City Administrator is authorized to execute any change orders, amendments, extensions or modifications of said agreement, within the limitations of the project specifications; and be it

FURTHER RESOLVED: That the amount of the bond for faithful performance, \$3,032,079.80, and the amount for a bond to guarantee payment of all claims for labor and materials furnished and for amount due under the Unemployment Insurance Act, \$3,032,079.80, with respect to such work are hereby approved; and be it

FURTHER RESOLVED: That the plans and specifications prepared by the Assistant Director of Public Works Agency for this project 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, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California