CITY OF OAKLAND

AGENDA REPORT

OFFICE CONTINUES OF CLERK

TO:

Office of the City Administrator

2006110 -1 111 4:05

ATTN:

Deborah Edgerly

FROM:

Public Works Agency

DATE:

November 14, 2006

RE:

Supplemental Report Related to Resolution Authorizing Award Of A Contract To Andes Construction, Inc. For The Construction Of Sanitary Relief Sewers Along Clay Street, 8th Street, Jefferson Street, 6th Street And Martin Luther King Jr. Way (Project No. C79310) For The Amount Of One Million Nine Hundred Eighty-One Thousand Three Hundred Thirty-Seven Dollars (\$1,981,337.00)

SUMMARY

On October 24, 2006 staff presented an agenda report and a resolution to the Public Works Committee requesting authorization to award a construction contract in the amount of \$1,981,337.00 to Andes Construction, Inc. for the Construction of Sanitary Relief Sewers along Clay Street, 8th Street, Jefferson Street, 6th Street and Martin Luther King Jr. Way (Project No. C79310). The agenda report contained errors regarding LBE/SLBE and Local Trucking requirements, and omitted information on the market availability analysis that was conducted and the basis for changes made to those requirements for this contract. This supplemental report responds to the Committee's request for clarification and additional information.

- 1. The previous report erroneously indicated 20% LBE/SLBE and 20% Local Trucking requirements. *Correction:* Under the proposed contract with Andes Construction, Inc. SLBE participation of \$1,361,337.00 (68.71%) exceeds the City's adjusted minimum requirement from 20% to 10% LBE/SLBE requirement. The contractor shows \$25,000.00 (100%) for trucking, meeting the 100% Local Trucking requirement.
- 2. Council policy allows the consideration of the number of firms ready, willing and able to perform work. This consideration must be made before publishing a Notice Inviting Bids (NIB) or a Request For Proposals (RFP). Council policy, as reflected on page six of the Local/Small Local Program, sets forth the condition for adjusting participation requirements, as follows:

"Based on the "Rule of Three", there must be at least three certified businesses listed in the industry, trade or profession that constitutes a major category of work. If at least three L/SLBEs are not certified, then the requirement is either waived, or the 20% requirement may be set from 19 % to 0%.

The awarding authority shall request an availability analysis if there is reason to believe that the availability of certified firms will not satisfy the 20% requirement. And the request must be made in time for completion prior to issuing an invitation for bids, request for proposals or any other solicitation. "

3. Oakland Market Availability Analysis: A large portion of the scope of work for this project requires a highly specialized work category referred to as "micro-tunneling technology". Attachment A briefly describes this work.

Item: _____ Public Works Committee November 14, 2006 There were zero available Oakland certified firms ready, willing and able to provide this service. While the fact of zero available firms satisfies the "rule of three" condition prescribed by Council policy, additional steps were taken to make sure local Oakland firms would not lose a potential contracting opportunity.

A market availability analysis used to determine the number of firms ready, willing and able to perform work, was conducted by the City Administrator's Division of Contract Compliance and Employment Services. The survey was structured to specifically determine micro-tunneling capacity and to advise the market of the possible adjustment to the 20% minimum participation requirement. Surveys were sent out to all firms with a C-42 license (the minimum contractor's license requirement for the project).

Eleven (11) firms currently hold a C-42 license. Copies of those letters are attached. The results show that zero firms possessing a C-42 license are also qualified to provide microtunneling.

4. Trucking: The minimum 20% minimum Local Trucking requirement was increased to 100% because the market could fully satisfy that level of participation.

ACTION REQUESTED OF THE CITY COUNCIL

This is a supplemental report related to award of a sanitary relief sewers construction contract to Andes Construction, Inc. Staff recommends that the City Council accept this supplemental information and approve the resolution.

Respectfully submitted,

Raul Godinez II, R.E.

Director, Public Works Agency

Reviewed by:

Michael Neary, P.E.

Assistant Director, Public Works Agency

Deborah Lusk-Barnes

Manager, Contract Compliance & Employment Services

Office of the City Administrator

Prepared by:

Gus Amirzehni, P.E.

Supervising Civil Engineer

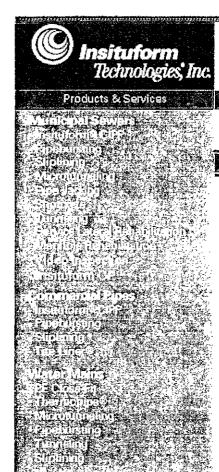
Design & Construction Services Dept

APPROVED AND FØRWARDED TO THE

PUBLIC WORKS COMMITTEE:

Office Of The City Administrator

Item: _____ Public Works Committee November 14, 2006



Home | Site Map

Corporate Information

United Pipeline Systems

Mhat's New How We Do It Microtunneling

Application

Affholder Inc.

Resource Room

Employment Opportunities

A trenchless method of constructing new sewer and water pipe without requiring man-entry. Typically used for pipes ranging from 18-inches to 54-inches in diameter and 40- to 50-feet in depth.

Events

Capabilites Investor Relations

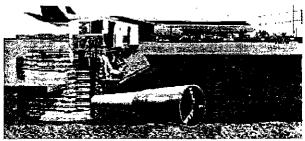
FAQs

Locations

Kinsel

Advantages

Our microtunneling method uses a "closed system;" water and mud removed from the ground are separated, decreasing the risk of environmental contamination. Because we complete microtunneling projects using safe, laser-guided equipment, there is minimal disruption to surface activities. Microtunneling is particularly effective in below-groundwater conditions and unconsolidated soils and where above- and below-ground obstructions exist.



Installation

Similar in many ways to traditional tunneling, microtunneling is a non-man-entry method of installing medium-diameter pipes. Microtunneling is accomplished using a remote-controlled boring machine to carve out a tunnel and install a new pipe in a nearly simultaneous process.

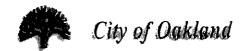
Products and services may be limited by geographic region and project scope.

Municipal Sewers | Commercial Pipes | Water Mains | Home

©2002 Insituform Technologies,® Inc.

Terms and Conditions : : Designed for IE4 and above : : ©2002 Insituform® Technologies Inc.

ATTACHMENT A



632-1204

November 21, 2005 Via Facsimile: (510) 632-1227

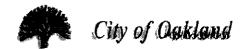
Bruno Franco JMV Construction Company 801 98th. Avenue Oakland, CA 94603-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: JMV Construction Company,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 444-4647

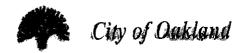
Steve Mordus M&M Drilling & Shoring Services, Inc. 499 A Embarcadero Oakland, CA 94606-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: M&M Drilling & Shoring Services, Inc.,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 434-0392

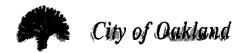
Rafael Tobar Mosto Construction 3073 22nd Avenue Oakland, CA 94602-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Mosto Construction,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 553-0674

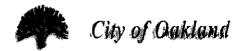
Mahendra J. Shah Peak Engineering 477 Roland Way Oakland, CA 94621-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Peak Engineering,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (415) 647-8166

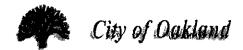
Alan Casserly
Pacific Trenchless, Inc.
1033 Yerba Buena Avenue # 3
Oakland, CA 94608-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Pacific Trenchless, Inc.,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 562-5209

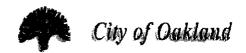
Michael R. Hester McGuire and Hester 9009 Railroad Avenue Oakland, CA 94603-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: McGuire and Hester,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 645-5899

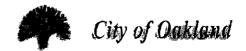
Robert T. Nurisso Broadway Mechanical Contractors, Inc. 2635 Peralta Street Oakland, CA 94607-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Broadway Mechanical Contractors, Inc.,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 536-7834

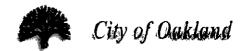
Vanessa Orozco Andes Construction, Inc. 5305 E. 12 Street Oakland, CA 94601-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Andes Construction, Inc.,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 267-0848

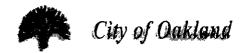
Eric M. Foster Swinerton Builders One Kaiser Plaza, Suite 701 Oakland, CA 94610-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Swinerton Builders,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 632-3073-632-6732

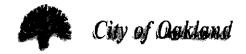
Milton Burleson Monterey Mechanical Co. 8275 San Leandro St. Oakland, CA 94621-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Monterey Mechanical Co.,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.



November 21, 2005 Via Facsimile: (510) 839-4350

June Chambers
Northgate Environmental Management, Inc.
3629 Grand Avenue
Oakland, CA 94610-

Re: Microtunneling and/or bore and jack installation of sewer carrier-pipes

Attention: Northgate Environmental Management, Inc.,

From time to time, the City of Oakland seeks verification from our certified firms on certain specialty work.

To our knowledge, your firm does not directly and routinely provide **Microtunneling and/or bore and jack installation of sewer carrier-pipes**. If your firm directly and routinely provides this service, please respond to us within the next five working days. Otherwise, we conclude that your firm does not provide Microtunneling and/or bore and jack installation of sewer carrier-pipes. Furthermore, if a certified local firm does not provide this specific trade, the City may consider adjustments to City's Small/Local Business Enterprise requirements.