

AGENDA REPORT

TO:	Edward D. Reiskin City Administrator	FROM:	G. Harold Duffey Director, Oakland Public Works
SUBJECT:	Henry Robinson Center HVAC Replacement Project Construction Award	DATE:	April 21, 2022

City Administrator Approval

Date: Apr 21, 2022

RECOMMENDATION

Staff Recommends That The City Council Adopt a Resolution: (1) Awarding A Construction Contract To S&H Construction, Inc., The Lowest Responsive And Responsible Bidder, In Accordance With Project Plans And Specifications For Henry Robinson Center Heating, Ventilation and Cooling (HVAC) Replacement (Project No. 1003448) And With Contractor's Bid, For An Amount Not To Exceed Seven Hundred Sixty-Eight Thousand, Six Hundred Dollars (\$768,600.00); And (2) Adopting Appropriate California Environmental Quality Act (CEQA) Findings.

EXECUTIVE SUMMARY

Approval of the proposed resolution will authorize the City Administrator to award a construction contract to S&H Construction, Inc., in an amount not to exceed seven hundred sixty-eight thousand, six hundred dollars (\$768,600.00) for the implementation of the Henry Robinson Center Heating Ventilation and Cooling (HVAC) Replacement Project Number 1003448 (Project).

The Project will replace an inefficient, aging, and undersized HVAC system to improve cooling and heating at this City- owned facility that provides transitional housing to unhoused, single individuals.

BACKGROUND / LEGISLATIVE HISTORY

In November 2016, Oakland voters passed the Measure KK General Obligation Bond to fund \$600 million of vital infrastructure improvements and Anti-Displacement and Affordable Housing Projects. Staff recommended to City Council proposed Capital Improvement Program (CIP) projects to be funded with Measure KK bond funds, including the Project. The Project is located at 559 16th Street (see *Attachment A – Location Map*). City Council approved the bond funding for the Project with Resolutions No. 86773 C.M.S., 87981 C.M.S., and 89020 C.M.S.,

City Council May 3, 2022 on June 19, 2017, December 10, 2019, and February 1, 2022, respectively, allocating a total of nine hundred eighty-two thousand, five hundred dollars (\$982,500).

ANALYSIS AND POLICY ALTERNATIVES

The Henry Robinson Center is a City-owned facility that provides transitional housing to unhoused, single individuals. Its HVAC system is inefficient, aging and undersized. Replacing the HVAC system is an approved CIP project with allocated funding.

In January 2021, an Availability Analysis for certified local HVAC contractors conducted by the Department of Workplace and Employment Standards (DWES) resulted in the City's Local and Small Local Business Enterprise (L/SLBE) requirements being waived for this project (see *Attachment B – Availability Analysis*).

On November 5, 2021, the Project was advertised by the Oakland Public Works (OPW) Capital Contracts Division in accordance with Oakland Municipal Code (OMC) 2.04.50 and one bid was received on January 6, 2022, in the amount seven hundred sixty-eight thousand, six hundred dollars (\$768,600.00) from S&H Construction, Inc.

The new HVAC system is designed to meet the City of Oakland's Equitable Climate Action Policy (ECAP) requirements and advance the Citywide priorities of a) **vibrant**, **sustainable infrastructure** and b) **housing security**.

The proposed resolution will authorize the City Administrator to award a construction contract to S&H Construction, Inc., in the amount in the amount seven hundred sixty-eight thousand six hundred dollars (\$768,600.00).

FISCAL IMPACT

Funding for this contract is budgeted and available in the following funding sources:

FUND SOURCE	AMOUNT
Measure KK Series 1 Bond Fund (5330); Capital Projects Organization (92270); Henry Robinson Center HVAC Project (1003448); Award (23253); and Program (IN06)	\$50,000.00
Measure KK Series 2 Bond Fund (5332); Capital Projects Organization (92270); Henry Robinson Center HVAC Project (1003448); Award (23687); and Program (IN06)	\$600,000.00
Measure KK Series 2 Bond Fund (5335); Capital Projects Organization (92270); Henry Robinson Center HVAC Project (1003448); Award (23687); and Program (IN06)	\$118,600.00

Total Available Funding	\$768,600.00

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

PUBLIC OUTREACH / INTEREST

For this construction solicitation, Oakland Public Works, Project & Grant Management Division (OPW-PGM) worked with OPW-Capital Contracts Division (OPW-CCD) and DWES to conduct public outreach through the legal ads, enhanced notifications, and a pre-proposal meeting.

Notifications of solicitations were distributed by several means. The first being City's iSupplier system, which was utilized to notify Oakland-certified local and non-local professional service providers (e.g., landscape architects, architects, engineers, contractors, and planning firms); regional trade and business groups, including the Oakland Metropolitan Chamber of Commerce, Oakland Black Board of Trade & Commerce, Bay Area Business Roundtable, and the Construction Bidboard. Companies that register in iSupplier wait a few days before receiving access to review proposal requests in this system. If a company enters an NAICS code, they are notified about projects with this code.

In addition to iSupplier and the established disparity outreach list of OPW-CCD also utilizes CIPList.com, a free, web-enabled site to announce and distribute solicitations. Through CIPList.com, any company or entity may register to be automatically notified of all City of Oakland solicitations without restrictions.

The legal notice for the solicitation was advertised on November 5, 2021. Legal notices were printed in the East Bay Times and Oakland Post. In addition, information about the project was published in El Mundo, Daily Pacific Builder, World Journal, and the Korea Times publications to supplement and ensure the information reaches Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE).

Additionally, notification also went out to approximately 1500 organizations and businesses registered through ActiveCampaign, including Black, Indigenous, People of Color (BIPOC), various Chambers of Commerce, local businesses, and non-profit organizations, among others.

OPW-CCD held an outreach/networking/pre-proposal meeting in partnership with DWES on November 16, 2021 with a total of nine persons and four prospective bidders in attendance virtually. The meeting served a few purposes: to discuss with potential contractors how contracts are established with the City, to make those in attendance aware of possible upcoming work, to allow for opportunities for consultants to network and partner on upcoming work, and to discuss the current RFB solicitation specifically. Staff will continue to collaborate in order to solicit new and diverse businesses to register, and if applicable, certify as a local business, with the City of Oakland.

COORDINATION

The work to be contracted has been coordinated with the Department of Human Services, along with the DWES, and appropriate divisions within OPW. In addition, this report and the resolution have been reviewed for form and legality by the Office of the City Attorney and Budget's Bureau.

SUSTAINABLE OPPORTUNITIES

Economic: The Project will contribute to the local economy through the construction contract. In addition, upon completion, the new HVAC system will improve the economic value of the facility.

Environmental: The new HVAC system will improve the energy efficiency of the building and improve the environment for the well-being of residents at the Henry Robinson Center. The Project is designed to meet the City of Oakland's ECAP requirements. S&H Construction, Inc. will be required to comply with the City's Waste Recycling and Re-use Plan (WRRP) for construction work.

Race & Equity: The Henry Robinson Center provides transitional housing to unsheltered, single individuals living on the streets. The Project is part of the continued capital program efforts to update aging facilities and to improve City assets to provide equitable access for all community members.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW/FINDINGS

The Project is exempt from CEQA pursuant to CEQA Guidelines Sections 15268 (Ministerial Projects), 15183 (Projects Consistent with a Community Plan, General Plan or Zoning), 15302 (Replacement or Reconstruction), 15303 (Small Structures), 15304(h) (Minor Alterations to Land), and/or 15061(b)(3) (No Significant Effect on the Environment). Each of the above exemptions provides a separate and independent basis for CEQA compliance.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt a Resolution: (1) Awarding A Construction Contract To S&H Construction, Inc., The Lowest Responsive And Responsible Bidder, In Accordance With Project Plans And Specifications For Henry Robinson Center HVAC Replacement (Project No. 1003448) And With Contractor's Bid, For An Amount Not To Exceed Seven Hundred Sixty-Eight Thousand, Six Hundred Dollars (\$768,600.00); And (2) Adopting Appropriate California Environmental Quality Act (CEQA) Findings.

For questions regarding this report, please contact Mi Kyung Lew, Acting Project Manager, at 510-238-3087 or <u>mlew@oaklandca.gov</u>.

Respectfully submitted,

G. Harold Duffey Director, Oakland Public Works

Reviewed by: Denise Louie, Acting Assistant Director Bureau of Design & Construction

Prepared by: Mi Kyung Lew, Acting Project Manager Project and Grant Management Division

Attachments (2):

A: Location Map B: Availability Analysis