



# AGENDA REPORT

**TO:** Jestin D. Johnson  
City Administrator

**FROM:** G. Harold Duffey  
Director, Oakland Public  
Works

**SUBJECT:** Contract Authorization: On-Call Sewer  
Cleaning, Televising, and Repair

**DATE:** August 31, 2023

City Administrator Approval

Date: Aug 31, 2023

## **RECOMMENDATION**

**Staff Recommends That The City Council Adopt The Following Legislation: A Resolution Awarding Two Construction Contracts In An Amount Not To Exceed Two Million Dollars (\$2,000,000) Per Contract For The Three-Year Period From Fiscal Year 2023-24 To Fiscal Year 2025-26 To: (1) National Plant In Accordance With Plans And Specifications For On-Call Sewer Cleaning And Televising And (2) Pipe And Plant Solutions, Inc. In Accordance With Plans And Specifications For On-Call Sewer Cleaning, Televising, And Repair, Each For A Total Contract Amount Not To Exceed Four Million Dollars (\$4,000,000) For A Term Of Three\_ Years, With Three, One-Year Options To Extend Each Of The Aforementioned Construction Contracts At The Same Annual Contract Amount Of Two Million Dollars; And (3) Adopting Appropriate California Environmental Quality Act Findings.**

## **EXECUTIVE SUMMARY**

Most of Oakland's sanitary sewer system is 50 years old, and some segments are as old as 100 years old. This sanitary sewer project is a necessary secondary precaution to ensure compliance with the 2014 Sewer Consent Decree <https://www.oaklandca.gov/resources/clean-water-agreement-faq> to improve pipe conditions, reduce sanitary sewer overflows, and increase flow capacity, especially during heavy storms.

As storms become more severe from climate change, it has become more urgent to expedite maintenance of Oakland's aging sewer system to prevent overflows into private property, creeks, lakes, and the Bay. Oakland Public Works (OPW) has evolved its strategy to include coordinated professional contract vendor support that will be authorized by this legislation.

Contractors with specialized equipment are needed to assist OPW in cleaning and televise large diameter pipes (which account for 3.3% of the sanitary sewer system) and repair sewer pipes buried more than 12 feet deep. Work of this nature exceeds the capacity capability, equipment, and training of OPW staff, and must be performed to remain in compliance with the Consent Decree. Approval of this resolution will authorize the City Administrator to execute on-call contracts with National Plant for sewer cleaning and televising and Pipe and Plant Solutions,

Inc. for sewer cleaning, televising, and repair in the amount of \$2,000,000 per contractor, for the three years from FY 2023-24 to FY 2025-26.

**BACKGROUND/ LEGISLATIVE HISTORY**

In 2014, the City negotiated a Consent Decree (CD) with the U.S. Environmental Protection Agency (EPA) for Clean Water Act violations related to sanitary sewer discharges from regional facilities and sanitary sewer overflows from Oakland's sewer collection system. Oakland was required to implement its Asset Management Implementation Plan (AMIP) <https://www.oaklandca.gov/documents/2019-asset-management-implementation-plan-and-sewer-system-management-plan>, which includes systematic sewer inspections, cleaning, repair, and rehabilitation with pre-defined maintenance schedules. The CD has specific goals for each element and penalties for non-performance.

Oakland's sanitary sewer collection system serves over 400,000 people and includes over 932 miles of sanitary sewer mains ranging in size from 6 inches to 80 inches in diameter. The sewer system connects to about 101,000 residential units, commercial units, industrial units, and public authorities. The CD requires OPW to clean the entire sewer collection system every five years through 2036 and to televise all sanitary sewer mains every 10 years through 2036.

**ANALYSIS AND POLICY ALTERNATIVES**

OPW's Sewer Maintenance Services Division relies on contractors with specialized equipment to clean and televise sewer pipes with 24-inch diameter and wider, as this work cannot be performed internally. See **Table 1** below. Contract provisions may also include the service of sewer mains at hard-to-reach easements, which is the most challenging and dangerous work required by the Consent Decree. OPW also relies on contractors with specialized equipment to spot repair sewer pipes buried deeper than 12 feet.

**TABLE 1:  
Large Diameter Sewer Pipe Configurations  
(Contracted Services)**

<b>Pipe Diameter (Inches)</b>	<b>Pipe Length (Feet)</b>	<b>Pipe Length (Miles)*</b>	<b>Percent of Collection System by Length</b>
24	57,929	11	1.18%
27	9,528	1.8	0.19%
30	19,369	3.7	0.40%
33	10,395	2	0.21%
36	23,615	4.5	0.48%
42	8,794	1.7	0.18%
48	12,078	2.3	0.25%

54	7,810	1.5	0.16%
60	3,240	0.6	0.06%
66	6,604	1.3	0.14%
80	1,245	0.2	0.02%
<b>Total</b>	<b>160,607</b>	<b>30.6</b>	<b>3.28%</b>

- Collection system total: 932.4.miles

**Storms/Wet Weather**

Moreover, low-lying areas of Oakland are the most diverse but, unfortunately, the most marginalized communities because of redlining and other historic policies that continue to create racial and ethnic inequities. These diverse and more densely populated areas will be prioritized for sewer cleaning, televising, and repair ahead of storm\$ to prevent unhealthy conditions from sanitary sewer overflows and flooding.

During the October 24-25, 2021 "atmospheric river" storm, 50 percent of the 10 sanitary sewer overflows (SSOs) occurred in low-lying areas:

- Five SSOs south of Interstate 580
- Three SSOs between Interstate 580 and Highway 13
- Two SSOs north of Highway 13

During December 30, 2022, to January 16, 2023, series of "atmospheric river" storms, 45 percent of the 42 SSOs occurred in low-lying areas:

- 19 SSOs south of Interstate 580
- 13 SSOs between Interstate 580 and Highway 13
- 10 SSOs north of Highway 13

Overflows and flooding are costly in terms of property damage, displacement of residents, and cleanup. Again, more people are impacted in the more densely populated low-lying areas. Time taken to file claims and be reimbursed for out-of-pocket costs creates financial setbacks and further burdens those experiencing the flooding or overflow. OPW strives to prevent burdening communities, especially the most vulnerable and historically marginalized.

**Request for Qualifications**

Every year, OPW prepares for wet weather, which is becoming more extreme. To get ahead of future storms, staff issued a Request for Qualifications (RFQ) for On-Call Sewer Cleaning, Televising, and Repair. Contractors were encouraged to submit qualifications for one or more services. Five (5) Statements of Qualifications were received for various services, of which four (4) were deemed complete. See **Attachment A**.

A pre-qualification process was utilized in accordance with Oakland Municipal Code (OMC) Chapter 2.04.045. [https://library.municode.com/ca/oakland/codes/code\\_of\\_ordinances](https://library.municode.com/ca/oakland/codes/code_of_ordinances) Two (2) contractors were deemed qualified to provide the needed services, have the technical expertise

to perform the work required, and demonstrate an understanding of the project's technical complexities and regulatory issues.

All contracts will be managed by the Sewer Maintenance Services Division within OPW Bureau of Maintenance and Internal Services. As each project arises, staff will obtain bids from each contractor and will award the work to the lowest responsible, responsive bidder in accordance with Oakland Municipal Code (OMC) Chapter 2.04.05

[https://library.municode.com/ca/oakland/codes/code\\_of\\_ordinances](https://library.municode.com/ca/oakland/codes/code_of_ordinances) .

Under the proposed contract, National Plant will be providing sewer cleaning and televising, but no repair services. For sewer cleaning and televising services for large diameter pipes, per the Local/Small Local Business Enterprise (USLBE) program, there are no certified firms that could perform the scope of work. Therefore, the minimum 50 percent USLBE participation requirement is waived. The L/SLBE information has been verified by the compliance officer of the Department of Workplace and Employment Standards. See **Attachment B**.

Under the proposed contract with Pipe and Plant Solutions, Inc, which will provide sewer cleaning, televising, and repair services, USLBE participation will be 50 percent, which meets the City's USLBE program requirements. The L/SLBE information has been verified by the compliance officer of the Department of Workplace and Employment Standards. See **Attachment B**.

Finally, it is a best practice in the wastewater industry to contract for specialized services. An alternative would be to acquire specialized equipment in-house to clean, televise, and repair pipes beyond current capacity. This would require requesting increased equipment budget authorization for the Sewer Maintenance Services Division to purchase specialized equipment. It would also require increased salary and benefit budget authorization to hire additional staff and train them to use the new specialized equipment. However, the pandemic has made it even more difficult to fill current vacancies, and the division has experienced vacancy rates as high as 50 percent in some front-line specialties. Additionally, the global logistics challenges and equipment shortages have delayed delivery times for specialized equipment from 12-18 months to 24-36 months. Thus, staff do not recommend this alternative. The proposed resolution supports the City Council priority of **vibrant and sustainable infrastructure** by establishing on-call Sewer Cleaning contracts that will enable the City to deliver capital improvement projects more efficiently and quickly.

## **FISCAL IMPACT**

Each contract will be executed in an amount not to exceed \$2,000,000 over the three-year period of FY 2023-24 to FY 2025-26, for a cumulative project allocation not to exceed \$4,000,000. Contract expenditure allocations shall be expensed from Oakland Public Works Sewer Service Fund (3100), Infrastructure Maintenance Sewer System Org. (30533),

Miscellaneous Contract Services Account (54919), Project (to be determined). There is no impact on the General Purpose Fund, and no additional funding is requested.

### **PUBLIC OUTREACH / INTEREST**

Prior to the formal issuance of the Request for Qualifications (RFQ), staff provided notice to labor representatives, per the terms and conditions of the current Memorandums of Understanding with the International Federation of Professional and Technical Engineers (IFPTE) Local 21, Service Employees International Union (SEIU) 1021, and International Brotherhood of Electrical Workers (IBEW) 1245.

The RFQ was advertised via CIPlist.com and iSupplier with documents free of charge through both sources. Formal advertisements were made in six (6) local newspapers in multiple languages, including the Daily Pacific Builder, East Bay Times, El Mundo, The Korea Times, Oakland Post, and World Journal. The RFQ was also electronically mailed through the City's Active Campaign service to women owned firms, local global majority community-based organizations, and local African American owned firms.

Prior to starting work, individual residents and businesses will be notified of the work schedule, planned activities, and the contact information of the Contractor and Project Manager in charge.

### **COORDINATION**

Information contained within this report was developed on a collaborative basis between the Oakland Public Works Bureau of Maintenance and Internal Services, the Bureau of Design and Construction, the Division of Contracts and Compliance in the Department of Workplace and Employment Standards, the Budget Bureau, and the Office of the City Attorney.

### **PAST PERFORMANCE, EVALUATION AND FOLLOW-UP**

A Contractor Performance Evaluation for Pipe and Plant Solutions, Inc. for a recently completed sewer cleaning and televising project was reviewed and deemed outstanding. This evaluation is attached to this report as **Attachment C**.

National Plant has not performed any work for the City of Oakland since the City's evaluation program was initiated. Accordingly, there are no Contractor Performance Evaluations for this contractor. Upon completion of the project, both contractors will be evaluated.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** Implementation of the proposed contracts for service will ensure continuous upkeep and enhancement to the City's wastewater collection systems and minimize future maintenance costs as well as regulatory fines.

**Environmental:** Cleaning sanitary sewer pipes will minimize sewer overflows, thus preventing potential harm to property, multiple water sources and resources, and the community as a whole.

**Race & Equity:** Low-lying areas of Oakland will be prioritized for sewer cleaning, televising, and repair ahead of storms to prevent unhealthy conditions that result from sanitary sewer overflows and flooding.

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

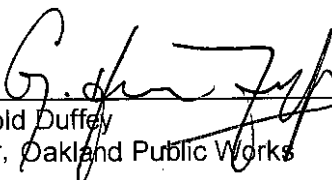
The On-Call Contract is exempt from the California Environmental Quality Act (CEQA) under the following CEQA Guidelines Sections: Section 15162 and 15163 (no further environmental review required); Section 15060(c)(2) (no direct or reasonably foreseeable indirect physical change in the environment); Section 15061(b)(3) (no significant effect on the environment); Section 15183 (projects consistent with a community plan, general plan, or zoning), Section 15301 (existing facilities), Section 15302 (replacement or reconstruction), and Section 15309 (inspections), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt The Following Legislation: A Resolution Awarding Two Construction Contracts In An Amount Not To Exceed Two Million Dollars (\$2,000,000) Per Contract For The Three Year Period From Fiscal Year 2023-24 To Fiscal Year 2025-26 To: (1) National Plant In Accordance With Plans And Specifications For On-Call Sewer Cleaning And Televising And (2) Pipe And Plant Solutions, Inc. In Accordance With Plans And Specifications For On-Call Sewer Cleaning, Televising, And Repair, Each For A Total Contract Amount Not To Exceed Four Million Dollars (\$4,000,000) For A Term Of Three Years, With Three, One-Year Options To Extend Each Of The Aforementioned Construction Contracts At The Same Annual Contract Amount Of Two Million Dollars; And (3) Adopting Appropriate California Environmental Quality Act Findings.

For questions regarding this report, please contact Johnny Nicks, Operations Manager, Oakland Public Works, at (510) 615-5567.

Respectfully submitted,

  
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Attachments (3):

A: Summary of Qualifications Received, Capital Contracts Division, Oakland Public Works

B: Contract Compliance Evaluations, Department of Workplace and Employment Standards

C: Contractor Performance Evaluation