



# 2017 APR 13 PM 3: 01 AGENDA REPORT

TO: Sabrina B. Landreth City Administrator

- FROM: Jeff Tumlin Interim Director, DOT
- SUBJECT: On-Call Construction Contracts for Striping and Marking Services

DATE: March 2, 2017

**City Administrator Approval** Date:

#### RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Awarding Two Separate Construction Contracts For On-Call Roadway Striping And Marking Services To Chrisp Company and Striping Graphics For One Million Five Hundred Thousand Dollars (\$1,500,000.00) Each.

#### EXECUTIVE SUMMARY

Approval of this resolution will authorize the City Administrator to execute On-Call Striping and Marking Services contracts with Chrisp Company and Striping Graphics in the amount of \$1,500,000.00 per vendor, for a period of three years. These on-call contracts will enable the City to install specific striping materials and quantities of material that are currently beyond the equipment and staffing capacity of City crews. In response to the passage of Measure BB and Measure KK, the Department of Transportation is working to establish multiple pathways for the timely delivery of transportation projects. These pathways include growing the capacity of City crews, bidding out large construction contracts, and establishing on-call striping contracts.

#### **BACKGROUND / LEGISLATIVE HISTORY**

The City manages a variety of pavement striping and marking projects within the City's right-ofway. Due to the varied nature, limited and unpredictable scope, and urgency of some projects, on-call construction contracts are essential to delivering these projects promptly, efficiently and cost effectively. Recognizing the benefits of utilizing on-call (aka as-needed) construction contracts, the City Council authorized the establishment of a pre-qualification process for delivering construction services under Oakland Municipal Code (OMC) Sections 2.04.045.

In August 2016, OPW staff requested that Contracts and Compliance Division conduct an availability analysis to determine whether any local/small local business enterprises (L/SLBE) were licensed to provide roadway striping and marking services (e.g. those with a C-32 License—"Parking and Highway Improvement Contractors"). The availability analysis determined that there were no certified firms with that license (*Attachment A*). Based on that

finding, the L/SLBE minimum participation requirement of 50% was waived for the solicitation of firms to provide on-call roadway striping and marking services.

In October 2016, staff issued an RFQ for On-Call Roadway Striping and Marking Services. One (1) firm, Striping Graphics, responded to the RFQ, and thus, in November 2016, the RFQ was re-bid in hopes of attracting more firms to establish a competitive on-call pool. One firm, Chrisp Company, responded to the re-bid RFQ.

OPW staff evaluated each RFQ submittal and determined each to be in compliance with the minimum qualifications. The minimum qualifications included the following:

- 1. Relevant experience of the prime contractor;
- 2. Organization, history, organizational performance, compliance with civil and criminal laws;
- 3. Ability to return mandatory compliance Schedules as requested by the RFQ; and
- 4. Bonding capacity letter signed by a surety company.

The contracts will be managed by the Public Works Department on behalf of the Department of Transportation. 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 OMC section 2.04.045.

#### ANALYSIS AND POLICY ALTERNATIVES

On-call construction contracts currently in place include those for sidewalk repair and curb ramps; sewer cleaning; electrical work; and general building. To date, no on-call contract has been issued specifically for roadway striping and markings work. In the past, when such services were needed, they were provided by subcontractors to a prime contractor. As a result, the total cost of the work was higher than needed because the prime contractor typically adds a percentage (10%-15%) to the actual cost of the work for overhead and profit.

As with other City on-call construction contracts, once the contracts are awarded, staff will have an additional tool to deliver projects on an as-needed basis, rather than issuing small standalone contracts one at a time. This will allow the City to be more responsive to public requests, and to deliver the types of improvements outlined in the Pedestrian and Bicycle Master Plans, and/or to fulfill the City's Complete Streets Policy. Example projects include the installation of high-visibility crosswalks, pick-up/drop-off improvements at local schools, the installation of bikeways, and rectifying neighborhood traffic safety issues.

Alternatively, staff could continue to use the existing on-call contracts to perform as neededstriping work (increasing the cost), or add striping-only work to citywide paving contracts. This occasional past practice has proved inefficient as striping-only work is not prioritized by the prime contractor and contracting rules do not allow the City to set scheduling priorities.

Staff is working to increase the capacity of City crews for delivering roadway striping, markings, and signage. For roadway striping and markings, this requires both the acquisition of specialized equipment and the addition of painter positions to use and maintain that equipment on a regular basis. For sign work, additional staff is necessary to increase the City's capacity for manufacturing and installing traffic signs. With the passage of Measure BB and Measure KK, the City is in the best position in recent memory for growing this capacity. However, this "ramp-up" will take time to realize. In the interim, the on-call striping and marking contracts provide a means for delivering transportation improvements in a timely and cost-effective manner. The purpose of the contracts is to establish another pathway for project delivery, while the priority remains on growing the City's capacity to deliver this work in-house.

#### FISCAL IMPACT

Each contract will be for an amount not to exceed \$1,500,000.00 over a three-year contract period. The total contract amount for the two (2) firms totals \$3,000,000.00 for the contract period. Funding is currently available in various transportation funds including Measure B Local Streets and Roads (Fund 2211), Measure B Bicycle & Pedestrian Pass Through (Fund 2212), and Measure BB (Fund 2216). Funds are also currently available in various grant sources, and the contract will allow the City to construct future grant-funded projects expeditiously. There is no requirement to spend the full amount of the contract, and no appropriation is made as a result of this action.

#### **PUBLIC OUTREACH / INTEREST**

The Request for Qualifications was disseminated using both the City's web-based procurement system, iSupplier, as well as through a formal advertisement in the East Bay Times (formerly the Oakland Tribune). The advertising was conducted twice: for the original bid (October 2016) and for the re-bid (November 2016). Additionally, staff provided notice to labor representatives, per the terms and conditions of the current Memorandums of Understanding with Local 21, SEIU 1021 and IBEW prior to the formal issuance of the RFQ.

#### COORDINATION

The work to be done under this contract was coordinated with Oakland Public Works (OPW), Contract Services, and the City Administrator's Office, Contracts and Compliance Division. In addition, the Office of City Attorney and the Controller's Bureau have reviewed this report and resolution.

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

Neither firm has served as a prime contractor for the City of Oakland. Therefore, Contractor Performance Evaluations have not been previously completed. Each firm has served as a

subcontractor on multiple Oakland construction contracts, and their performance has been deemed to be consistently satisfactory by staff in the Bureau of Engineering and Construction.

#### SUSTAINABLE OPPORTUNITIES

*Economic*: Establishing the proposed contracts will enhance the City's ability to respond costeffectively to the demand for low-cost traffic improvements, and minimize future maintenance costs by using materials of superior durability.

*Environmental:* The contracts will streamline construction of pedestrian- and bicyclist-focused improvements, and accelerate implementation of the City's Pedestrian and Bicycle Master Plans, encouraging non-motorized travel and lowering carbon emissions.

**Social Equity**: Projects completed under these contracts will improve mobility, accessibility and safety to people in Oakland that use all modes of transportation.

#### ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a resolution awarding two separate construction contracts for On-Call Roadway Striping and Marking Services to Chrisp Company and Striping Graphics, for one million five hundred thousand dollars (\$1,500,000.00) each.

For questions regarding this report, please contact Jason Patton, Bicycle & Pedestrian Program Manager, at 510-238-7049.

Respectfully submitted,

JEFF TUMLIN Interim Director, Department of Transportation

Reviewed by: Wladimir Wlassowsky, P.E. Interim Assistant Director

Prepared by: Jason Patton, Ph.D. Bicycle & Pedestrian Program Manager

Attachment (1):

A: Availability Analysis

## **Attachment A**



TO: Jason Patton

FROM: Deborah Barnes, Director, S. Soversburg, Contracts & Compliance

#### SUBJECT: Availability Analysis for DATE: September 7, 2016 RFP for On Call Striping and Marking Services

Per your request an availability analysis of our database of certified local and small local firms was performed.

Under the current Local and Small Local Business Enterprise (L/SLBE) Program (see page 7), the awarding authority may request an availability analysis if there is reason to believe that the availability of certified firms will not be sufficient to satisfy the 50% L/SLBE minimum requirement.

Below is the scope of services for this project:

"The core of the project is all striping and marking services project is roadway striping and marking with minor amounts of pavement repair, curb, gutter and sidewalk improvements, and traffic sign modifications (all of which shall be incidental to the traffic and striping work".

In order to determine the availability of the City's certified firms, the Contracts & Compliance researched the certification database utilizing License Type C-32, Parking and Highway Improvement Contractors. The research indicated that there were no certified firms with that license type.

The L/SLBE Program requires that there be at least three (3) certified firms listed in the industry, trade or professional that constitutes a major category of work. If at least three (3) L/SLBE firms are not certified, then the requirement is either waived, or the 50% requirement may be set from 49% to 0%.

Based on the above, the L/SLBE minimum participation requirement of 50% is waived.

Should you have questions or need additional information, please contact Vivian Inman, Contract Compliance Officer at ext. 6261.



FILED OFFICE OF THE CIT & GLERA OAKLAND

## OAKLAND CITY COUNCIL



2017 APR 13 PM 3: 08 RESOLUTION NO.

<u>\_</u>C.M.S.

Introduced by Councilmember \_\_\_\_\_

### RESOLUTION AWARDING TWO SEPARATE CONSTRUCTION CONTRACTS FOR ON-CALL ROADWAY STRIPING AND MARKING SERVICES TO CHRISP COMPANY AND STRIPING GRAPHICS FOR ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000.00) EACH

WHEREAS, public demand for simple transportation safety projects that involve striping and markings exceeds the City of Oakland's current capability to respond in a timely manner; and

**WHEREAS,** the City of Oakland seeks to be more responsive to public demand for traffic safety improvements in Oakland's neighborhoods, commercial districts, and school areas, and to deliver projects in the City Council-adopted Pedestrian and Bicycle Master Plans; and

WHEREAS, in August 2016, the Contract Compliance Division conducted an availability analysis that determined that no local/small local business enterprises (L/SLBE) could provide roadway striping and marking services; and

**WHEREAS**, based on the availability analysis, the L/SLBE minimum participation requirement of 50% was waived for a planned Request for Qualifications (RFQ) for roadway striping and marking services; and

WHEREAS, in October 2016, the City issued an RFQ for On-Call Striping and Marking Services, and one response was received and determined to meet minimum qualifications; and

**WHEREAS,** in November 2016, the City readvertised the RFQ to seek additional bids and create a competitive on-call pool, and a second bid was received and determined to meet minimum qualifications; and

**WHEREAS**, the City Administrator has determined that the construction contracts approved hereunder are temporary in nature, and that the City lacks the equipment and qualified personnel to perform the necessary work; and

WHEREAS, the City Council finds and determines that the proposed construction contracts shall not result in the loss of salary or employment by any person having permanent status in the competitive service; and

WHEREAS, the performance of this contract is in the public interest because of economy or better performance and that this contract is of a professional, scientific or technical nature; and

WHEREAS, each of the proposed contracts will be executed in an amount not to exceed one million five hundred thousand dollars (\$1,500,000.00), per contract, over the three-year period from award, for a cumulative allocation not to exceed three million dollars (\$3,000,000.00); and

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WHEREAS, funds are available for striping and marking work in Measure B, Measure BB, and grant sources, and may be available in Measure KK during the contract term; and

WHEREAS, as projects arise, staff will obtain competitive bids from each contractor and will award the work to the lowest responsible, responsive bidder in accordance with Oakland Municipal Code Section 2.04.045; now, therefore be it

**RESOLVED,** That the City Administrator, or designee, is hereby authorized to execute two separate construction contracts in an amount not to exceed one million five hundred thousand dollars (\$1,500,000.00) per contract with Chrisp Company and Striping Graphics for On-Call Striping and Marking Services, for a cumulative allocation not to exceed three million dollars (\$3,000,000.00), in accordance with plans and specifications for the Project; and be it

**FURTHER RESOLVED,** That each of the proposed contracts will be executed for a three-year period; and be it

**FURTHER RESOLVED,** That the City Administrator, or her designee, is hereby authorized to execute any amendments or modifications of said contract within the limitations of the specifications of the on-call construction work; and be it

**FURTHER RESOLVED,** That as projects arise, staff will obtain competitive bids from each contractor and will award the work to the lowest responsible, responsive bidder in accordance with Oakland Municipal Code Section 2.04.045; and be it

**FURTHER RESOLVED**, That the contractors shall provide performance and payment bonds for 100% value of the work assignment prior to the commencement of any work under its on-call construction contract; and be it

**FURTHER RESOLVED,** That the contracts shall be reviewed and approved by the City Attorney as to form and legality prior to execution and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

#### PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

**ABSTENTION -**

ATTEST:

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