



AGENDA REPORT

TO: Steven Falk
Interim City Administrator

FROM: Jason Mitchell
Director, OPW

SUBJECT: Award On-Call Construction Services
Contract

DATE: April 27, 2020

City Administrator Approval

Date: 5-12-2020

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator Or Designee To Execute Construction Contracts For On-Call Construction Services Each For A Duration Of Three Years To The Following Firms:

A) Tier-One Firms Each For An Amount Not-To-Exceed One Million Dollars (\$1,000,000.00) With: 1) Cooper Construction, and 2) Mosto Construction;

B) Tier-Two Firms Each For An Amount Not-To-Exceed Four Million Dollars (\$4,000,000.00) With: 1) Andes Construction, 2) Beliveau Engineering Contractors, Inc., 3) Consolidated CM, 4) McGuire Hester, 5) Ray's Electric, and 6) Sustainable Urban Neighborhoods

EXECUTIVE SUMMARY

Approval of the resolution will authorize the City Administrator to enter into on-call construction contracts with eight (8) firms, each for a period of three (3) years, to provide construction services in support of the City's Capital Improvement Program.

On-call construction services allow for construction contract resources and expediency in implementing City's Capital Improvement Program. Projects supported include libraries, recreation and community centers, parks, senior centers, restroom facilities, public safety facilities, and other architecturally related projects.

BACKGROUND/LEGISLATIVE HISTORY

Oakland Public Works Department (OPW), Bureau of Design & Construction's Project & Grant Management Division, is managing a variety of projects in support of the City's Capital Improvement Program. With the passage of Measure KK – Affordable Housing & Infrastructure Bond in 2016, other grant and bond-funded sources, and unscheduled projects, there is a need to deliver various capital improvement projects in a timely and cost-effective manner. OPW utilizes on-call construction contracts, which are solicited through a competitive process in accordance with OMC Section 2.04.051. The City's last round of on-call construction services agreements was approved in 2016, and most contracts have either been maximized or will expire March 2021.

City Council
May 19, 2019

ANALYSIS AND POLICY ALTERNATIVES

It is anticipated that a number of the approved capital improvement projects funded by bonds, grants, and other capital funds will utilize these on-call construction contracts in support of the City's delivery of projects. The On-Call Construction Services contracts will provide an additional means of delivering projects in a timely and cost-effective manner.

On-call construction contracts allow for expedited support to the delivery construction of projects. Utilizing on-call construction firms will reduce time in selecting contractors for projects, thereby providing a cost-savings to the City. The on-call contracts will also offer Departments the ability to quickly respond to urgent and unforeseen demands such as emergencies or projects with grant deadlines that cannot be accomplished expediently by issuing individual bid solicitations.

On December 3, 2019, the City issued a Request for Qualifications (RFQ) for on-call construction services for various projects. Twelve (12) firms submitted Statement of Qualification (SOQ).

OPW staff reviewed the proposals and evaluated for:

1. Business and organization experience; licenses; disputes; construction claim matters and suits
2. Compliance with safety, workers compensation, prevailing wage, and apprenticeship laws
3. Local/Small Local Business Enterprise Program
4. Project Experience and Reference Review

The Department of Contract & Compliance reviewed the twelve (12) firms for compliance. Nine (9) firms met or exceeded the City's 50% Local/Small Local Business Enterprise (L/SLBE) program participation requirements. Three (3) firms did not meet the L/SLBE certification requirement.

Staff reviewed proposals and recommended eight (8) of the firms to enter into construction service contracts. While all of the nine firms scored similarly on the first three criteria listed above, one (1) firm scored especially low in the Project Experience and Reference Review section, in comparison to the other firms.

All selected firms are required to be compliant with the City's Equal Benefits Ordinance. The Social Equity Contract Compliance Department has verified the L/SLBE information for each firm (see **Attachment A** – Contract Compliance Analysis Memorandum, dated January 13, 2020 for Tier I and March 13, 2020 for Tier II).

The on-call contracts will be utilized for various projects as they arise. Typically, as a project is identified, the City will issue a request-for-bid from on-call contractors with the appropriate licensing to submit proposals meeting the project scope of work, schedule, and budget. The successful bidder will be issued a Task Order for the project.

No minimum amount of work is implied or guaranteed, and no appropriation is made as a result of this action. Individual task orders will vary but cumulatively will not exceed the approved contract amounts. The contractors will be required to meet City's Compliance programs continuously and will be reviewed at intervals throughout the contract life.

FISCAL IMPACT

Approval of this resolution authorizes the City Administrator to execute an on-call construction contract for on-call, and as-needed, construction services. The contract agreement for Tier 1 contractors will be for an amount not to exceed one million dollars (\$1,000,000). The contract agreement for Tier 2 contractors will be for an amount not to exceed four million dollars (\$4,000,000). The approval of the contract agreements will not result in the additional appropriation of funding, and no additional funding is requested. The on-call construction services may be required for various capital improvement projects funded by various revenue sources. Available funding will be identified for the individual project prior to the performance of the construction services.

PUBLIC OUTREACH / INTEREST

Using the California State Licensing Board's website, OPW searched for all Oakland-based contractors with appropriate license types, resulting in a list of 1,252 contractors in November 2019. Outreach announcement (**Attachment B**) was mailed to all 1,252 contractors. On December 3, 2019, OPW held an outreach meeting to expand and provide opportunities for the construction industry to work with the City. The meeting included presentations by Contract Compliance staff, OPW Contract Services staff, and Project Delivery Division staff. OPW staff described the types of projects and services that typically utilize on-call contracts and contracting procedures. Contract Compliance staff explained the City Local Business program requirements and objectives and offered guidance for new firms who are interested in working on City projects.

The RFQ was formally advertised in a total of six (6) newspapers in various languages, including the Daily Pacific Builder, El Mundo, Oakland Post, Oakland Tribune, The Korea Times (S.F.), and World Journal. The City's web-based procurement system iSupplier and CIPlist.com were utilized for distribution of the RFQ with documents available free of charge online.

Staff provided notice to labor representatives, per the terms and conditions of the current Memorandums of Understanding with Local 21, Service Employee International (SEIU) 1021, and International Brotherhood of Electrical Workers (IBEW) prior to the formal issuance of the RFQ. A legal advertisement for the RFQ was posted on December 3, 2019.

COORDINATION

This report and legislation have been reviewed by the Office of the City Attorney and the Budget Bureau. The Contracts and Compliance Department provided the compliance analysis of submitted firms.

SUSTAINABLE OPPORTUNITIES

Economic: The contractors are all verified for Local Business Enterprise and Small Local Business Enterprise (LBE/SLBE) participation by the Social Equity Division of the Department of Contracting and Purchasing. The projects will generate business tax, sales tax, and other revenues for the City by those firms who work on the project. Local businesses will be utilized on the projects and will benefit directly.

Environmental: Environmental factors and opportunities will be considered and incorporated to the extent feasible with each project. The project design will incorporate sustainable specifications and scope to maximize environmentally sound practices and meet the City's sustainability and resiliency objectives. Contractors will follow the City's waste reduction and recycling policies for construction debris.

Social Equity: The proposed construction services for capital improvement projects will improve existing and extend the useful life of facilities or provide new City facilities and parks for public use. Projects are prioritized in accordance with City's prioritization process implemented in the FY2019-21 Capital Improvement Program. As applicable, contractors will be required to comply with the physical access requirements of applicable accessibility codes and the Americans with Disabilities Act.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator Or Designee To Execute Construction Contracts For On-Call Construction Services Each For A Duration Of Three Years To The Following Firms:

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For questions regarding this report, please contact Mi Kyung Lew, Capital Improvement Project Coordinator, Oakland Public Works, Bureau of Design & Construction, Project & Grant Management Division at (510) 238-3087.

Respectfully submitted,



A handwritten signature in black ink, appearing to read 'JASON MITCHELL', is written over a horizontal line.

JASON MITCHELL
Director, Oakland Public Works

Reviewed by:
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Oakland Public Works

Reviewed by:
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Prepared by:
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Attachments: (2)

- A: Compliance Analysis for Qualification (RFQ) Construction Services 2019, Tier I & Tier II, dated January 13, 2020, and March 13, 2020, respectively
- B. Outreach Flyer