



Office of the City Manager

CONSENT CALENDAR

April 23, 2019

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Phillip L. Harrington, Director, Department of Public Works

Subject: Authorize Negotiation in the Open Market for the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project, Specification 18-11183-C

RECOMMENDATION

Adopt a Resolution: (1) accepting staff report that no bids were received when Specification No. 18-11183-C, FY2018 Measure M Low Impact Development Woolsey Street Project was re-advertised; and (2) authorizing the City Manager to negotiate in the open market in accordance with Article XI, Public Works and Supplies, Section 67(a.) of the City Charter.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available from the Measure M Streets & Watershed General Obligation Bond in the Storm Water System Capital Improvement Program budget. There are no fiscal impacts until a contract is negotiated.

CURRENT SITUATION AND ITS EFFECTS

The FY2018 Measure M Low Impact Development (LID) Woolsey Street Project (Specification No. 18-11183-C) was released for bids on May 8, 2018, and bids were opened on June 7, 2018. One bid was received for \$2,864,707. The low bid exceeded the available budget for the project and was approximately \$1.3 million over the Engineer's estimate of \$1.5 million. Council passed Resolution No. 68,566–N.S. on July 24, 2018 authorizing the City Manager to reject the bid and direct staff to re-advertise the project. Staff re-advertised on October 18, 2018 and no bids were received when the bidding period closed on November 15, 2018. Staff has assessed the situation and has discussed the design with, and received inquiries from, contractors expressing interest in this project. If allowed to negotiate with the City, contractors indicate they will explore methods to reduce the challenge of installing the large underground cistern, simplifying construction, and reducing risk of affecting other underground infrastructure due to the large size of the proposed cistern. Staff believes the project can be negotiated in the open market in accordance with the City Charter Article XI, Public Works and Supplies, Section 67(a.). The FY2018 Measure M LID Woolsey Street Project is a Strategic Plan Priority Project and advances the City's goal to create a resilient, safe, connected, and prepared city.

BACKGROUND

Measure M provides the City with funding for street repaving and installation of LID treatment and watershed improvements consistent with the Watershed Management Plan (WMP) adopted by Council in October 2012. The primary purpose of the LID improvements is treatment of polluted urban runoff and reduction of flooding. This project is for construction of a bio-swale and installation of a large underground cistern on Woolsey Street between Adeline Street and Tremont Street (see Attachment 2, Location Map). The high demand for construction in the Bay Area has contractors operating at full capacity. Staff believes the conditions of high demand and a limited pool of qualified contractors have driven prices up and reduced contractors' interest in bidding on this unique project.

ENVIRONMENTAL SUSTAINABILITY

Staff believes authorizing the City Manager to negotiate in the open market will allow the City to efficiently use the City's Measure M funds and maximize the amount of LID installations to treat polluted urban runoff and provide flood control within Berkeley's heavily urbanized condition during the current period of high demand for construction.

RATIONALE FOR RECOMMENDATION

The City put the FY2018 Measure M LID Woolsey Street Project, Specification No. 18-11183-C, out to bid twice and has not received a reasonable bid for the project. There is no indication that bidding the project for a third time will provide the City with an acceptable bid. The City does not possess the in-house labor or equipment resources necessary to construct the project.

ALTERNATIVE ACTIONS CONSIDERED

Staff has already exercised authority to advertise and bid the project a second time as authorized by Resolution No. 68,566–N.S, Attachment 3. No bids were received when this project was bid a second time. Therefore, staff proposes to move forward with negotiating a contract in the open market. Staff believes advertising and bidding the project for a third time would not be beneficial and that negotiating in the open market is the best alternative. Further, the City has neither the labor nor the equipment necessary to undertake the construction phase of this project in-house.

CONTACT PERSON

Nisha Patel, Manager of Engineering & City Engineer (510) 981-6406

Joe Enke, Supervising Civil Engineer (510) 981-6411

Danny Akagi, Associate Civil Engineer (510) 981-6394

Attachments:

1: Resolution

2: Location Map

3: Resolution No. 68,566–N.S.

RESOLUTION NO. ~~##,###~~-N.S.

AUTHORIZE NEGOTIATION IN THE OPEN MARKET FOR THE FY2018 MEASURE M LOW IMPACT DEVELOPMENT (LID) WOOLSEY STREET PROJECT, SPECIFICATION 18-11183-C

WHEREAS, the FY2018 Measure M LID Woolsey Street Project is a Strategic Plan Priority Project and advances the City's goal to create a resilient, safe, connected, and prepared city; and

WHEREAS, the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project is part of the City's ongoing Clean Stormwater Capital Improvement Program to implement recommendations from the Watershed Management Plan; and

WHEREAS, the City has neither the labor nor the equipment necessary to undertake the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project; and

WHEREAS, the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project was previously and duly advertised (Specification No. 18-11183-C) resulting in a single bid received on June 7, 2018; and

WHEREAS, Council passed Resolution No. 68,566-N.S. on July 24, 2018 authorizing the City Manager to reject bids received on June 7, 2018 and direct staff to re-advertise the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project; and

WHEREAS, the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project was re-advertised and, upon closing of the bidding period on November 15, 2018, no bids were received; and

WHEREAS, staff is recommending Council authorize the City Manager to negotiate the project in the open market in accordance with the City Charter Article XI, Public Works and Supplies, Section 67(a.).

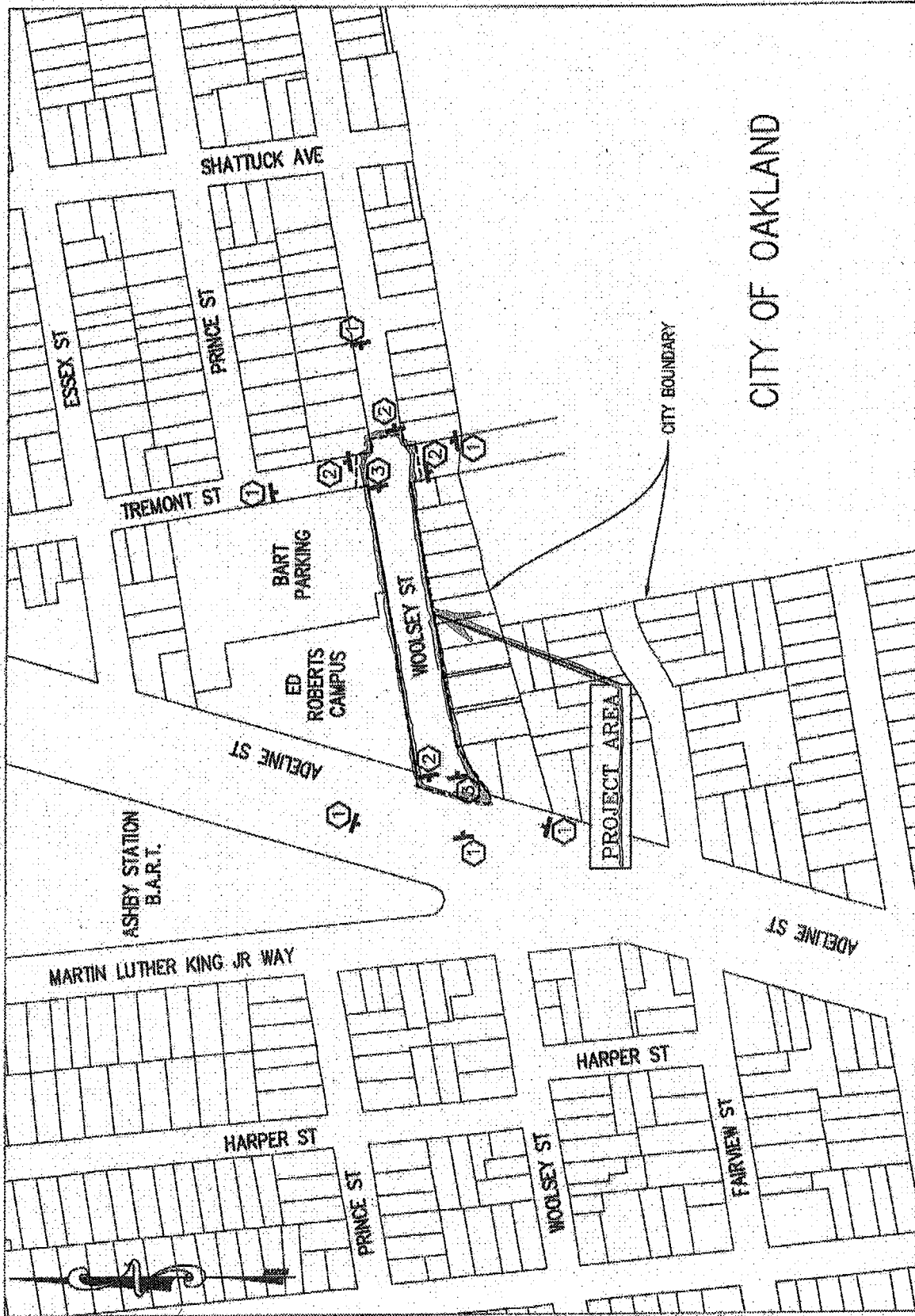
NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council accepts staff's report that no bids were received for the FY2018 Measure M Low Impact (LID) Woolsey Street Project on November 15, 2018; and

BE IT FURTHER RESOLVED that the City Manager is authorized to negotiate in the open market with contractors for the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project.

ATTACHMENT
2

FY2018 MEASURE
M

WOOLSEY STR.
PROJECT



LOCATION MAP

CITY OF OAKLAND

RESOLUTION NO. 68,566-N.S.

REJECT BIDS AND DIRECT STAFF TO RE-ADVERTISE THE FY2018 MEASURE M LOW IMPACT DEVELOPMENT (LID) WOOLSEY STREET PROJECT

WHEREAS, the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project (Project) is part of the City's ongoing Clean Stormwater Capital Improvement Program to implement recommendations from the Watershed Management Plan; and

WHEREAS, the City has neither the labor nor the equipment necessary to undertake this FY2018 Measure M Low Impact Development (LID) Woolsey Street Project; and

WHEREAS, an invitation for bids was duly advertised (Specification No. 18-11183-C), on which the sole bid received was from Pacific Infrastructure Construction, LLC, and as the bid exceeded the City's estimate and available budget for the Project; and

WHEREAS, staff have evaluated the bid received and determined it to be in the City's best interest to re-advertise the project.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the bid from Pacific Infrastructure Construction, LLC is rejected and the City Manager is authorized to re-bid the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project, Specification No. 18-11183-C.

The foregoing Resolution was adopted by the Berkeley City Council on July 24, 2018 by the following vote:

Ayes: Bartlett, Davila, Droste, Hahn, Harrison, Maió, Wengraf, Worthington and Arreguin.

Noes: None.

Absent: None.



Jesse Arreguin, Mayor

Attest: 

Mark Numainville, City Clerk

