



November 6, 2012

Honorable Board of Supervisors
County of Alameda
1221 Oak Street, Suite 536
Oakland, California 94612-4305

Dear Board Members:

SUBJECT: REJECT ALL BIDS AND AUTHORIZE RE-BID FOR THE PERALTA OAKS SEISMIC AND TENANT IMPROVEMENTS PROJECT, 2901 PERALTA OAKS COURT, OAKLAND, CALIFORNIA; PROJECT NO. CPP99C903100000

RECOMMENDATIONS:

- A. Reject all bids for the Peralta Oaks Seismic and Tenant Improvements project; and
- B. Authorize the General Services Agency (GSA) to re-bid the project to the pre-qualified contractors in accordance with the County's Enhanced Construction Outreach Program (ECOP) and return to your Board with a recommendation for award.

DISCUSSION/SUMMARY:

The building at 2901 Peralta Oaks Court was previously occupied by the Alameda County Department of Child Support Services (DCSS). It was occupied in 1988 under a lease and purchased in 1991. The DCSS vacated the building in 2007 due to structural deficiencies. The building is three stories and encompasses approximately 51,000sf of space. It is sited on four acres with 175 parking spaces.

Three new tenants have been identified to occupy the building after completion of the seismic upgrade and tenant improvements. The Coroner's Office will occupy the ground floor, the Public Health Lab will be located on the 2nd floor and the Sheriff's Crime Lab will be on the 3rd floor. The building remodel is designed to achieve a United States Green Building Council (USGBC) certified Leadership in Energy and Environmental Design (LEED[®]) Silver rating.

On July 27, 2010 your Board authorized (Item #41, File #26480) the award of a Professional Services Agreement to Shah Kawasaki Architects for A/E services related to the seismic upgrade and tenant improvements. The preparation of construction documents is complete.

On May 24, 2011 your Board authorized (Item #19, File #26981) the award of a construction contract for the abatement of hazardous materials and interior demolition of non-structural components. That work is also complete.

On July 26, 2011 your Board authorized (Item #35, File #27226) the Director of the GSA to prequalify contractors, advertise the project for bid, apply the ECOP and receive bids. That process is complete.

On September 11, 2012 your Board approved (Item #20, File #28340) the award of a Professional Services Agreement to Consolidated CM, Inc. for construction management services. In addition to construction management, the services of Consolidated CM, Inc. will be used to perform another round of value engineering.

Seven contractors were pre-qualified; however, construction bidding was delayed in order to incorporate an Owner Controlled Insurance Program (OCIP), which provides County coverage in lieu of contractor insurance coverage, at a predicted cost savings. That process was completed and the GSA bid the project in late July and August, with bids due September 6, 2012. Five bids were received which were all substantially over budget. In order to perform further value engineering, it is recommended that your Board reject all bids and authorize GSA to re-bid this project. Construction is now anticipated to start in March 2013 and will take approximately 16 months to finish in July 2014.

SELECTION CRITERIA AND PROCESS:

GSA will utilize the following Enhanced Construction Outreach Program (ECOP) for this project:

- *A contract goal of 60% to be awarded to local businesses and 20% to certified small local businesses (where 20% certified small local participation may be a part of the 60% local participation and is not required to be in addition to the 60% local participation);*
- *A contract goal of 15% Minority Business Enterprise (MBE) and 5% Woman-Owned Business Enterprise (WBE) participation (where the 5% WBE participation may not be a part of the 15% MBE participation. The 15% and 5% is not required to be in addition to, and may be a part of, the above referenced 60% local and 20% certified small local participation goals);*
- *Use of the State definition of a small business, which is a business with less than a stated amount of average gross annual revenue over the past three years, with a local requirement;*
- *Use of the revised definition of a local business, which is a business that is a firm or dealer with fixed offices located in and having a street address within the County for at least 6 months prior to the date upon which a request for sealed bids or proposals is issued, and which holds a valid business license issued by the County or a city within the County;*
- *A 5% bid preference for prime contractors who are certified small local businesses. Or, non-certified prime contractors that subcontract with certified small local businesses (in accordance with the Public Contract Code 2002) for a minimum 40% of the contract amount; and*
- *Contractors to demonstrate the ability and willingness to provide jobs required to complete County construction projects to local apprentices, youth, unemployed and under-employed County residents.*

GSA will hold another mandatory pre-bid meeting to discuss project requirements including the ECOP and to facilitate relationships between large and certified small local contractors. The award of a contract will go to the lowest responsive and responsible bidder.

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FINANCING:

Funds for the Peralta Oaks Seismic & Tenant Improvement project will be provided by the Criminal Justice Facilities Trust Fund and the Health Care Services Agency. Appropriations are included in the FY 2012-13 Capital Projects Approved Budget. There will be no increase in net County cost.

Respectfully submitted,



Aki K. Nakao
Director, General Services Agency

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cc: Susan S. Muranishi, County Administrator
Patrick O'Connell, Auditor-Controller
Donna R. Ziegler, County Counsel
Gregory Ahern, Sheriff/Coroner
Alex Briscoe, Director, Health Care Services Agency