



Office of the City Manager

CONSENT CALENDAR  
May 14, 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: Contract: Cratus, Inc. for FY2018 Measure M Low Impact Development (LID) Woolsey Street Project

RECOMMENDATION

Adopt a Resolution approving plans and specifications for FY2018 Measure M Low Impact Development (LID) Woolsey Street Project, Specification No. 18-11183-C (Re-Issued); accepting the bid of Cratus, Inc. as the lowest responsive and responsible bidder; and authorizing the City Manager to execute a contract and any amendments, extensions or other change orders until completion of the project in accordance with the approved plans and specifications in an amount not to exceed \$2,908,377.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available from the Capital Improvement Program budget. No other funding is required, and no other projects will be delayed due to this expenditure.

Low bid by Contractor	\$2,643,979
10% Contingency	\$264,398
<b>Total construction cost</b>	<b>\$2,908,377</b>

FY 2019 Funding:

Measure M Streets & Watershed GO Bond (506-54-623-675-3016)	\$2,908,377
<b>Total construction cost</b>	<b>\$2,908,377</b>

This contract has been assigned CMS No. GDYPJ.

CURRENT SITUATION AND ITS EFFECTS

This project was bid through the normal advertisement and competitive bidding process for public projects on two occasions. For the first occasion, a single bid was opened on July 24, 2018, almost double the \$1.5 million Engineer’s Estimate. This single bid did not provide staff sufficient information to determine that the bid was responsive and reasonable for the scope of the work. Staff recommended, and council passed Resolution 68,566—N.S. (see Attachment 2) rejecting the bid and authorizing the project to be bid a second time. The second bid opening was performed on November 15, 2018 and no bids were received. On April 23, 2019 Council adopted Resolution No. 68,821-N.S. (see Attachment 3), accepting staff’s report that no bids were received, and authorizing the

City Manager to negotiate in the open market with contractors for this project, in accordance with the City Charter Article XI, Public Works and supplies, Section 67(a.). Awarding the project through negotiating in the open market allows contractors to discuss with staff methods to reduce the challenges of installing the large underground cistern by shifting it to protect existing utilities, adjust the schedule, and provide acceptable traffic control.

Multiple contractors indicated they were very interested in having the opportunity to bid on the project. Staff solicited three bids from the contractors and received bids in the range of \$2,643,979 to \$3,673,036 (see Attachment 4). Cratus, Inc., of San Francisco, California, had the lowest bid, with a bid of \$2,643,979. Staff checked their references, and they were found to be satisfactory. Staff recommends a contract for this project be awarded to Cratus, Inc. The engineer's estimate for the project was \$1.5 million.

The FY2018 Measure M LID Woolsey Street Project is a Strategic Plan Priority Project, advancing the City's goal of being a global leader in addressing climate change, advancing environmental justice, and protecting the environment.

#### 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 5, 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

The project will help ease observed flooding in the neighborhood in the vicinity of Malcolm X Elementary School and treat urban runoff.

#### 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

The City could choose not to award this project to Cratus, Inc. and publicly bid the project a third time. Staff concluded that a third advertisement for bid has a low probability of

getting a lower bid than that submitted by Cratus, Inc., and this would delay expenditure of Measure M bond proceeds.

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: Resolution 68,566–N.S.

3: Resolution 68,821–N.S.

4: Abstract of Bids

5: Location Map

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

AWARD OF CONTRACT: CRATUS, INC. FOR THE FY2018 MEASURE M LOW IMPACT DEVELOPMENT (LID) WOOLSEY STREET PROJECT, SPECIFICATION 18-11183-C (RE-ISSUED)

WHEREAS, the FY2018 Measure M LID Woolsey Street Project is a Strategic Plan Priority Project, advancing the City's goal of being a global leader in addressing climate change, advancing environmental justice, and protecting the environment; 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 (Specification No. 18-11183-C Re-Issued) and, upon closing of the bidding period on November 15, 2018, no bids were received; and

WHEREAS, Council passed Resolution No. 68,821-N.S. on April 23, 2019 accepting staff's report that no bids were received on November 15, 2018, and authorizing 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.); and

WHEREAS, the negotiating process produced three bids and Cratus, Inc. is the lowest responsive and responsible bidder; and funding is available in the current year budget in the Measure M Streets & Watershed GO Bond Fund 506, and the contract has been entered into the citywide contract database with CMS No. GDYPJ.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Plans and Specification No. 18-11183-C (Re-Issued) for the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project are approved.

BE IT FURTHER RESOLVED that the Council of the City of Berkeley authorizes the City Manager to execute a contract and any amendments, extensions or change orders, until

completion of the project in accordance with the approved plans and specifications with Cratus, Inc. for the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project in an amount not to exceed \$2,908,377, which includes a 10% contingency for unforeseen circumstances. A record signature copy of the said agreement and any amendments is to be on file in the Office of the City Clerk.

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, Maio, Wengraf, Worthington and Arreguin.

Noes: None.

Absent: None.

  
\_\_\_\_\_  
Jesse Arreguin, Mayor

Attest:   
\_\_\_\_\_  
Mark Numainville, City Clerk

## RESOLUTION NO. 68,821–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

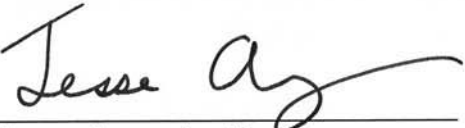
BE IT FURTHER RESOLVED that the City Manager is authorized to negotiate in the open market with contractors for the FY2018 Measure M Low Impact Development (LID) Woolsey Street Project.

The foregoing Resolution was adopted by the Berkeley City Council on April 23, 2019 by the following vote:

Ayes: Bartlett, Davila, Droste, Hahn, Harrison, Kesarwani, Robinson, Wengraf, and Arreguin.

Noes: None.

Absent: None.

  
\_\_\_\_\_  
Jesse Arreguin, Mayor

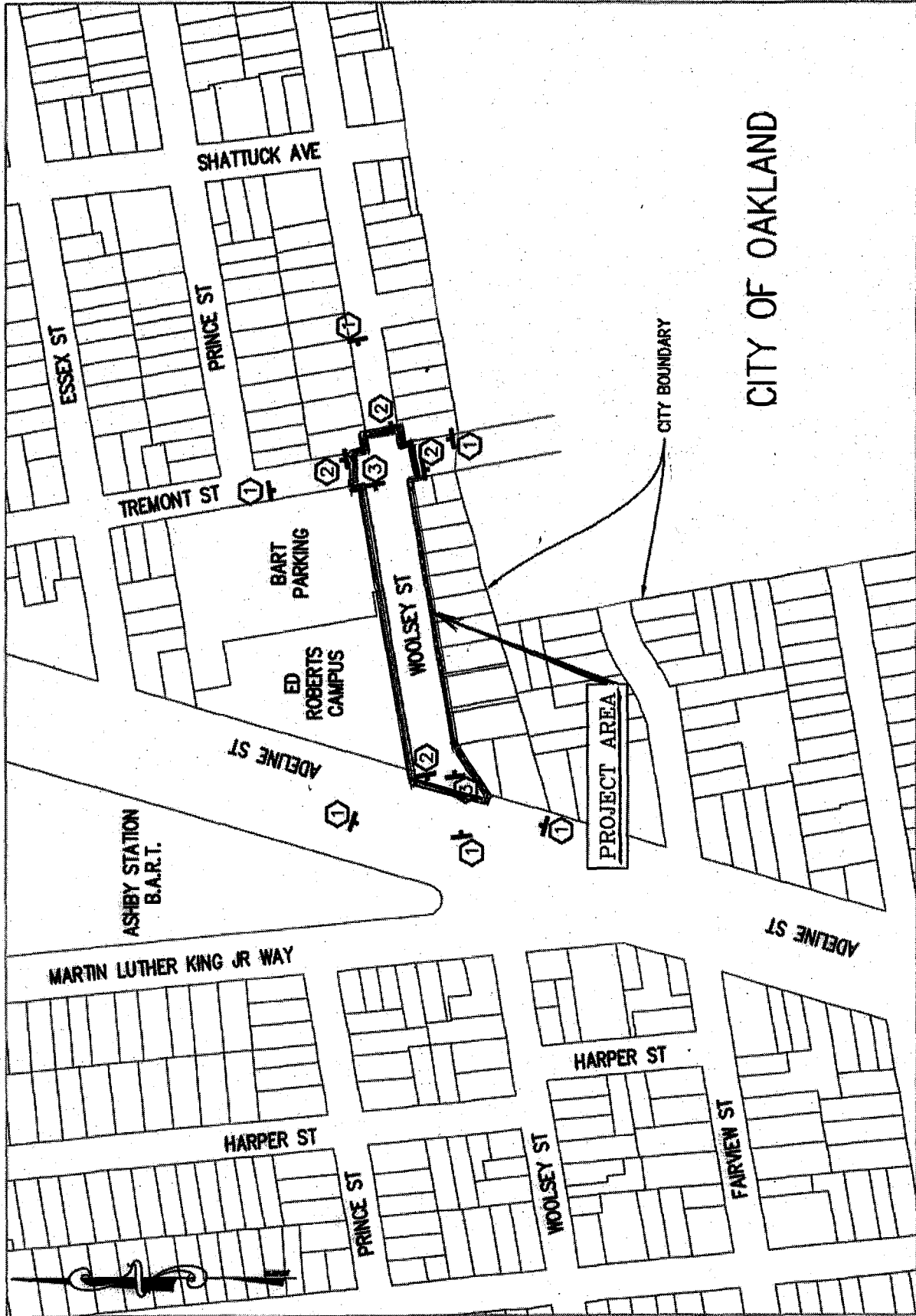
Attest:   
\_\_\_\_\_  
Mark Numairville, City Clerk



ATTACHMENT 4  
ABSTRACT OF BIDS  
FY2018 MEASURE M LOW IMPACT DEVELOPMENT (LID)  
WOOLSEY STREET PROJECT

Bidders	Bid
Cratus, Inc.	\$2,643,979.00
Ghilotti Construction Company, Inc.	\$2,898,073.50
McGuire and Hester	\$3,673,036.00

ATTACHMENT 5  
FY 2018 MEASURE M  
LOW IMPACT DEVELOPMENT (LID)  
WOOLSEY STREET PROJECT



LOCATION MAP