



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Consent
September 2, 2008

Honorable Mayor and
Members of the City Council

Title: Reject all bids for the New Fabrication Building at the Combined Wastewater Treatment Plant Project (W14004200)

Location/Council District: 1391 35th Avenue, Council District 4.

Recommendation: Adopt a Resolution rejecting all bids received for the Fabrication Building at the Combined Wastewater Treatment Plant (CWTP) Project (W14004200).

Contact: Mark Laurenzi, Plant Superintendent, 808-5674; Mike Yee, Plant Services Division Manager, 808-5670.

Presenters: Not Applicable

Department: Utilities

Division: Plant Services

Organization No: 14001151

Description/Analysis

Issue: The Department of Utilities recommends rejection of all bids for the New Fabrication Building at CWTP because the bids exceeded the project budget.

Policy Considerations: The City Council is authorized to reject all bids under Chapter 3.60 of the City Code.

Environmental Considerations: CEQA does not apply to the rejection of bids.

Sustainability Considerations: Sustainability does not apply to the rejection of bids.

Other: None

Reject all bids for New Fabrication Building at CWTP(W14004200) September 2, 2008

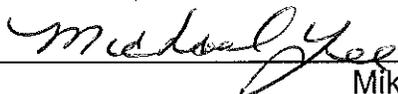
Commission/Committee Action: None

Rationale for Recommendation: After the plans and specifications were completed by Engineering Services, the project was formally advertised to solicit public bids. On June 25th, 2008, the City Clerk opened four bids. All bids exceeded the engineer's estimate of \$275,000. Rejection of bids is recommended because of higher than expected bid costs. The bids were as follows:

Contractor	Bid Amount
Fabri Steel West, Inc	\$377,960.00
Cranston Steel Structures	\$395,200.00
Hilbers Inc	\$398,799.00
General Steel Corporation	\$499,996.00

Financial Considerations: Plan revisions will be made that potentially will facilitate more responsive bidding. The expense of re-advertising the project after bids are rejected is minor and there is sufficient funding in the project to cover this cost.

Emerging Small Business Development (ESBD): This project included a participation requirement of 20% for emerging and small business enterprises (ESBE's) as required by Ordinance 99-007 and Resolution 99-055, relating to ESBD participation goals and policies, adopted by the City Council on February 9, 1999.

Respectfully Submitted by: 
Mike Yee
Plant Services Division Manager

Approved by: 
Marty Hanneman
Interim Director of Utilities

Recommendation Approved:


for Ray Kerridge
City Manager

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Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

**REJECT ALL BIDS FOR THE NEW FABRICATION BUILDING AT THE COMBINED
WASTEWATER TREATMENT PLANT (CWTP) PROJECT
(W14004200)**

BACKGROUND

- A. After the plans and specifications were completed by Engineering Services, the New Fabrication Building at CWTP was formally advertised to solicit public bids. This project was bid for the second time because the bidding market during the first bid period was busy and hence no bids were received. The second bid opening occurred on June 25th, 2008; the City Clerk opened four bids. All four bids exceeded the project budget.
- B. As a result of higher than expected bid costs, City staff recommends that the City Council reject all bids. This project will be rebid after making changes to reduce the building cost and further evaluate the project requirements.

**BASED ON THE FACTS SET FORTH IN THE STAFF REPORT AND ALL OTHER
INFORMATION PRESENTED TO IT, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. All bids received for the New Fabrication Building at CWTP Project are rejected.