



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT

September 9, 2008

Honorable Mayor and
 Members of the City Council

Title: Change Orders: Hazardous Materials Services Contracts

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) authorizing the City Manager or the City Manager's designee to execute Change Order No. 4 to Contract No. 2006-057 with Parc Specialty Contractors in an amount not to exceed \$95,000 bringing the total contract amount to \$190,000; 2) authorizing the City Manager or the City Manager's designee to execute Change Order No. 4 to Contract No. 2006-058 with Allied Environmental, Inc. in an amount not to exceed \$95,000 bringing the total contract amount to \$190,000; and 3) resetting the City Manager's signature authority.

Contacts: Tony Alexander, General Supervisor, 808-6360; Cynthia Kranc, Facilities Manager, 808-2258

Presenters: Not Applicable

Department: General Services

Division: Facilities and Real Property Management

Organization No: 13001521

Description/Analysis:

Issue: On November 23, 2005, the Department of General Services issued Bid No. B061187039 for hazardous materials services. A total of three bids were received and contracts were awarded to all three bidders (Parc Specialty Contractors, Allied Environmental, Inc., and Reliance Environmental Services). The contract awarded to Reliance Environmental Services was closed in July 2007 due to non-responsiveness for requests for services.

Over the past two years, three change orders have been executed to the contracts with Parc Specialty Contractors, and Allied Environmental, Inc. for the extension of time only. Change Order No. 4, increasing the amount of each contract by \$95,000, is necessary as the initial award of \$95,000 is no longer sufficient to provide for these services. Staff will rebid for hazardous materials services in late 2010.

Policy Considerations: The recommendations in this report are consistent with City Code Section 3.60.210(A) requiring City Council approval for change orders in excess of \$25,000; and 2) City Code Section 3.60.210(G) restoring City Manager authority to issue additional change orders.

Committee/Commission Action: None

Environmental Considerations:

California Environmental Quality Act (CEQA): Approval of Change Orders for hazardous materials services is not a project as defined by the CEQA guidelines, Section 15378. The recommended action involves no physical construction and has no potential to cause a significant impact to the environment.

Sustainability Considerations: None

Rationale for Recommendation: Staff's initial cost estimate for hazardous materials services was \$95,000. Change Order No. 4 to the contracts for hazardous materials services with Parc Specialty Contractors and Allied Environmental, Inc. is necessary as the initial award of \$95,000 is no longer sufficient to provide for these services.

Change Order Nos. 1-3 were approved within the City Manager's authority as they were for time extensions only and involved no additional funding. Change Order No. 3 extended the time of performance to June 30, 2009 for each contract.

Financial Considerations: Purchase orders encumbering funds under these contracts will not be opened until projects are identified. Funding for each purchase order will be provided for in capital improvement project budgets or in department operating budgets as projects are identified. Each contractor may have multiple assignments during the contract term; however, the aggregate amount shall not exceed the new total contract amount of \$190,000 recommended under Change Order No. 4 in this report.

Emerging Small Business Development (ESBD): Parc Specialty Contractors, and Allied Environmental, Inc. are both ESBD certified firms.

Respectfully Submitted by: 
Cynthia Kranc
Facilities Manager

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

for 
Ray Kerridge
City Manager

Table of Contents:

Report	Pg	1
Attachments		
1 Resolution	Pg	4

RESOLUTION NO. 2008-XXXX

Adopted by the Sacramento City Council

September 9, 2008

AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO EXECUTE CHANGE ORDER NO. 4 TO CONTRACT NOS. 2006-057 AND 2006-058 IN AN AMOUNT NOT TO EXCEED \$95,000 PER CONTRACT FOR HAZARDOUS MATERIALS SERVICES

BACKGROUND

- A. On December 2, 2003, City Council adopted Resolution No. 2003-853, approving the Smith Culp Consultant Study recommendations to improve the delivery of projects. One of the recommendations was to establish on-call contracts for cost effective and efficient delivery of contractor services.
- B. On March 14, 2006, contracts were awarded to Parc Specialty Contractors, and Allied Environmental, Inc. for \$95,000 each for on-call hazardous materials services.
- C. Change Order Nos. 1-3 were for time extensions only and involved no additional funding. Change Order No. 3 extended the time of performance to June 30, 2009 for each contract.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager or the City Manager's designee is authorized to execute Change Order No. 4 with Parc Specialty Contractors in an amount not to exceed \$95,000 bringing the total contract amount to \$190,000.
- Section 2. The City Manager or the City Manager's designee is authorized to execute Change Order No. 4 with Allied Environmental, Inc. in an amount not to exceed \$95,000 bringing the total contract amount to \$190,000.
- Section 3. The City Manager's signature authority is reset.

