



REPORT TO COUNCIL

City of Sacramento

18

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

Consent
May 11, 2010

Honorable Mayor and
Members of the City Council

**Title: Sacramento Intermodal Facility, Track Relocation Project (T15029000) –
Rejection of Bids**

Location/Council District: Downtown near Sacramento Valley Station, between I Street Bridge and 7th Street. Location map – Exhibit A of Resolution (District 1)

Recommendation: Adopt a **Resolution** rejecting all bids for the Track Relocation Project which would relocate the existing Union Pacific Railroad (UPRR) mainline tracks, build new passenger platforms and access tunnels, relocate existing utilities, and install new utilities.

Contact: Jon Blank, Supervising Civil Engineer, (916) 808-7914

Presenters: None

Department: Transportation

Division: Office of Director

Organization No: 15001141

Description/Analysis

Issue: Phase 1 of the Sacramento Intermodal Transportation Facility (SITF), Track Relocation, was advertised and bids were received on April 28, 2010. The engineer's estimate is \$43 million. All bids substantially exceeded the engineer's estimate. Staff recommends all bids be rejected and the bid be readvertised.

The project will be re-scoped and readvertised on May 12, 2010. It is anticipated that bid opening will be on June 2, 2010, and award on June 15, 2010. The project needs to maintain this schedule to retain federal stimulus funding and to coordinate with other construction projects.

Other actions that were to be approved on May 11, such as approval of the Track Relocation construction management agreement and acceptance of Federal

Railroad Administration funding, can be approved in the subsequent Council report that recommends contract award for the project.

Policy Considerations: The action requested herein is consistent with City API 4002 Section 8.5(b) which states: for contracts of \$100,000 or more, only the City Council has the authority to reject bids.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed action to reject all bids is not subject to environmental review.

Sustainability Considerations: The SITF project will provide facilities to accommodate rail freight movement, heavy passenger rail trains, light rail transit, intercity and local buses, and taxis, as well as bicycle and pedestrian transportation modes and future modes, such as streetcars and California High Speed Rail. The Track Relocation Project will improve operations, safety and convenience for passenger service and goods movement, as well as facilitate the future development of the Intermodal facility. The improvements are consistent with the City's sustainability goals to provide better accessibility to public transportation.

Other: None.

Commission/Committee Action: None.

Rationale for Recommendation: The engineer's estimate is \$43 million. Five bids were received and all of the bids substantially exceeded the engineer's estimate. Staff recommends that all bids be rejected and the bid readvertised with a modified scope.

Financial Considerations: The Sacramento Intermodal Facility has previously received and been authorized to appropriate multiple federal and state funds, including over \$25 million in federal transportation funds and \$25 million in state transportation funds. The City was awarded a \$6.2 million grant of America Recovery and Reinvestment Act (ARRA) funds as part of the High Speed Intercity Passenger Rail (HSIPR) program administered by the Federal Railroad Administration (FRA). These funds will pass through Caltrans Division of Rail to the City. FRA will enter into agreement with Caltrans, and Caltrans and the City will enter into a sub-recipient agreement. Council approval to accept and to enter into agreements for these funds will be requested as part of the subsequent Council report. A list of funding sources is provided in Attachment 1, Background.

Disadvantaged Business Enterprise (DBE): The SITF Track Relocation Project has federal funding and requires conformance with project participation guidelines for Disadvantaged Business Enterprise (DBE) /Underutilized Disadvantaged Business Enterprises (UDBE) in lieu of the City of Sacramento Emerging and Small Business

Enterprise (ESBE) program requirements. The UDBE goal is 17.2%. If the Contractor does not meet the UDBE goal, Good Faith Effort toward meeting the required goal must be demonstrated. This information will be provided in the subsequent council report that recommends contract award.

Respectfully Submitted by: 
Francesca L. Halbakken
Operations Manager

Approved by: 
Jerry Way
Director of Transportation

Recommendation Approved:

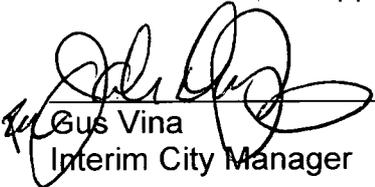

Gus Vina
Interim City Manager

Table of Contents:

Report	Pg. 1
Attachments	
1 Background	Pg. 4
2 Project Location Map	Pg. 6
3 Resolution	Pg. 7

Attachment 1

Background Information:

The Track Relocation Project relocates and reconfigures the current Union Pacific Railroad (UPRR) mainline and passenger tracks and the passenger platforms to the north between the I Street Bridge and 7th Street. This will improve the mainline heavy rail capacity and reliability for both freight service and passenger rail service. In addition, safety will improve due to separating the freight tracks from the passenger platforms and limiting access to the platforms by means of the new passenger and service tunnels. Relocating the existing UPRR tracks will also allow extension of 5th and 6th Streets and provision of the West Pedestrian Tunnel. This will improve access and circulation within downtown Sacramento and facilitate development of the Railyards project.

Construction Bids

The project was advertised and a total of five bids were received on April 28, 2010. The bids are summarized below:

Contractor	Bid Amount
Granite Construction	\$56,668,923.00
Diablo Contractors	\$56,761,875.00
Walsh Construction	\$57,351,316.00
Kiewitt	\$63,966,318.00
Teichert Construction	\$67,443,224.00

The engineer's estimated construction cost was \$43 million.

Project Funding

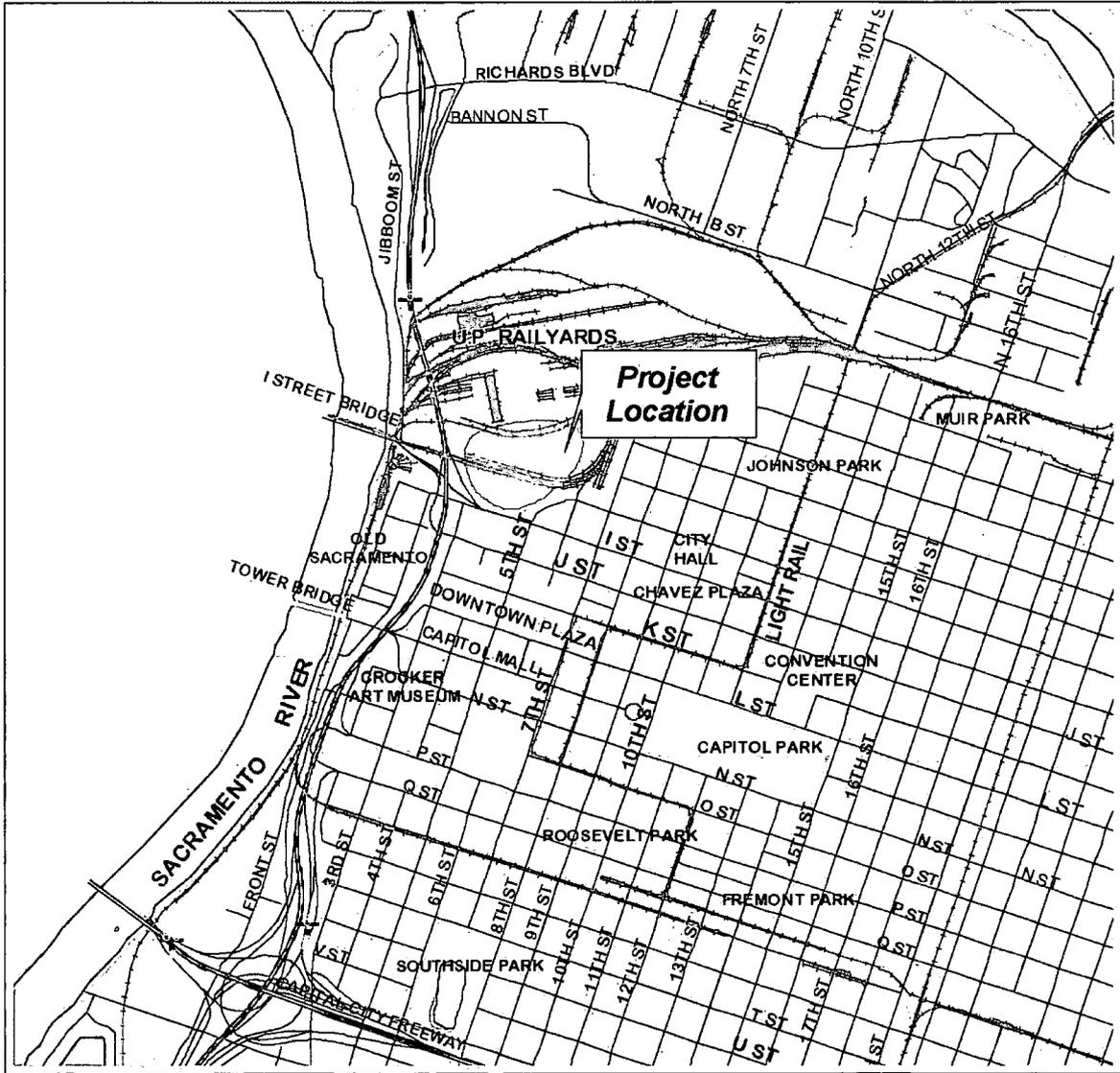
As a result of extensive efforts on the part of the City and its partners, the project was awarded approximately \$56.83 million in public transportation funds, including more than \$31.56 million in federal funds and \$25.27 million in state funds. Other public funding in the project totals approximately \$16.57 million. In addition, developer contributions are anticipated to be approximately \$4.26 million. Total project funding is approximately \$77.66 million.

This funding has to cover project costs beyond the construction contract, which is scoped in this bid. These expenses include such items as design, environmental clearance and mitigation, UPRR work, utility relocations, construction management, staff administration and contingency and are projected to total approximately \$32 million. Consequently, the balance of \$45.66 million would be available for construction.

Intermodal Phase 1 – Track Relocation Funding		
Track Relocation Funds		
		<u>Funding Amounts</u>
<u>Federal Funding Programs</u>		
FRA Rail Relocation	2,092,000	
FHWA ARRA Economic Stimulus	20,600,000	
FRA ARRA High Speed Intercity Passenger Rail	6,200,000	
Amtrak	<u>2,670,000</u>	
	Subtotal	\$31,562,000
<u>State Funding</u>		
Prop 1B Trade Corridor Improvement Fund	<u>25,266,000</u>	
	Subtotal	<u>\$25,266,000</u>
	Total Federal & State Funding	\$56,828,000
<u>Local Funding</u>		
Match for Prop 1B Trade Corridor Improvement Fund from Developer	<u>4,266,000</u>	
	Subtotal	<u>\$4,266,000</u>
	Total Track Relocation Funds	\$62,094,000
Other Funds		
<u>Funding Resources Directed by City</u>		
FHWA Projects of National & Regional Significance	2,156,000	
FHWA Congestion Mitigation Air Quality	4,484,000	
City funds (Measure A, CRCIP)	3,426,000	
State Prop 1B Local Streets & Roads	3,500,000	
Water Fund, Dept. of Utilities	<u>3,000,000</u>	
	Subtotal	\$16,566,000
	Grand Total	\$77,660,000

Attachment 2

Location Map for
**SACRAMENTO INTERMODAL
TRANSPORTATION FACILITY (SITF)
(PN:CF41)**



Map Contact S. Tobin
Date: October, 2003

1000 0 1000 2000 Feet



Attachment 3

RESOLUTION NO.

Adopted by the Sacramento City Council

REJECTING ALL BIDS FOR THE TRACK RELOCATION PROJECT (T15029000)

BACKGROUND

- A. The Track Relocation project will relocate the existing Union Pacific Railroad (UPRR) mainline tracks, build new passenger platforms and access tunnels, relocate existing utilities, and install new utilities.
- B. The project was advertised and a total of five bids were received on April 28, 2010.
- C. The engineer's estimated construction cost was \$43 million.
- D. All bids substantially exceeded the engineer's estimate.
- E. Staff recommends all bids be rejected, the project re-scoped and the bid readvertised.

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

- Section 1. All bids received April 28, 2010 for the Track Relocation project, which includes relocation of the existing Union Pacific Railroad (UPRR) mainline tracks, building new passenger platforms and access tunnels, relocating existing utilities, and installing new utilities (T15029000) are hereby rejected.