



REPORT TO COUNCIL

City of Sacramento

14

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

Consent
September 5, 2006

**Honorable Mayor and
Members of the City Council**

Title: Rejection of Bids for the Howe Avenue Fiber Optic Cable Installation Project (JN: 9348)

Location/Council District: The majority of this project is located along Howe Avenue from Fair Oaks Boulevard to Arden Way within both City and County limits. The portion within City limits is located within Council District 3 (see enclosed map).

Recommendation: Staff recommends that the City Council reject all bids due to an irregularity in the bid process.

Contact: David L. Brent, Engineering Manager, 808-1420, Dave Hansen, Supervising Engineer, 808-1421

Presenters: Not applicable

Department: Department of Utilities

Division: Engineering Services

Organization No: 3332

Description/Analysis

Issue: The bid documents instructed bidders to submit bids to the City Clerk's Office at 915 I Street, which is the address of both the Historic City Hall and the City Hall Administration Building. Four bids were received at the City Clerk's Office in the Historic City Hall prior to bid opening, and were opened by the City Clerk on August 2, 2006. However, a fifth bid that was delivered to the City Hall Administration Building prior to bid opening, was not transmitted to the City Clerk's Office until after the bid opening had concluded. As a result, this bid was not opened at the designated bid opening time by the City Clerk, as required under the City Code. Bids that are not opened at the designated bid opening time may not be considered. Because this irregularity in the bid process was caused, in part, by ambiguity in the bid documents, staff believes that it is not fair to penalize the fifth bidder, who submitted its bid on time to the address specified in the bid documents. Therefore, staff recommends that all bids be rejected so that the project can be re-bid at a later date, using revised bid documents.

Policy Considerations: This action is consistent with Chapter 3.60 of the City Code concerning the rejection of bids.

Environmental Considerations: The Planning Services Division, Environmental Section, has reviewed the project and has determined that this project is exempt from CEQA under Sections 15301 (minor alteration of existing streets) and 15304(f) (minor trenching and backfilling) of the CEQA Guidelines.

Rationale for Recommendation: Rejecting all bids will allow this project to be rebid with revised bid documents, ensuring an even playing field for all bidders and competitive bids.

Financial Considerations: It is anticipated that future bids will come in near the engineer's estimate and that funding will be available for this project to sufficiently award the contract. The Los Rios Community College District will be providing all of the construction funding and one third (1/3) of the design costs.

Emerging Small Business Development (ESBD): This project included participation goals of 20% for emerging and small business enterprises 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: 
David L. Brent
Engineering Manager

Approved by: 
Gary A. Reents
Director of Utilities

Recommendation Approved:


Ray Kerridge
City Manager

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Attachment 1

Background

Reject All Bids for the Howe Avenue Fiber Optic Cable Installation Project (JN: 9348)

This project will install fiber optic cable along Howe Avenue from Fair Oaks Boulevard to Arden Way. In addition, fiber optic cable will be installed along Spanos Court, Hurley Way, and Ethan Way, see enclosed map. Most of the project will take place within the County of Sacramento with a small portion within the City limits.

The fiber will be used for communication, video, and traffic signal coordination. In addition, this project will link the fiber installed along Arden Way with the fiber installed along Fair Oaks Boulevard providing a back bone or loop system.

This fiber optic system will be shared among the following agencies: Department of Utilities, Department of Transportation, Information Technology Department, County of Sacramento, and the Los Rios Community College District.

Four bids came in on time to the City Clerks office and are shown in the table below. However, another bid came in on time, but was delivered to the City Hall Administration Building, which uses the same address. By the time the fifth bid was internally transmitted to the City Clerk, the bid opening was concluded, and the bid no longer could be opened. City staff is recommending that all bids be rejected so the project can be rebid using revised bid documents. This will give all bidders a fair chance of providing bids.

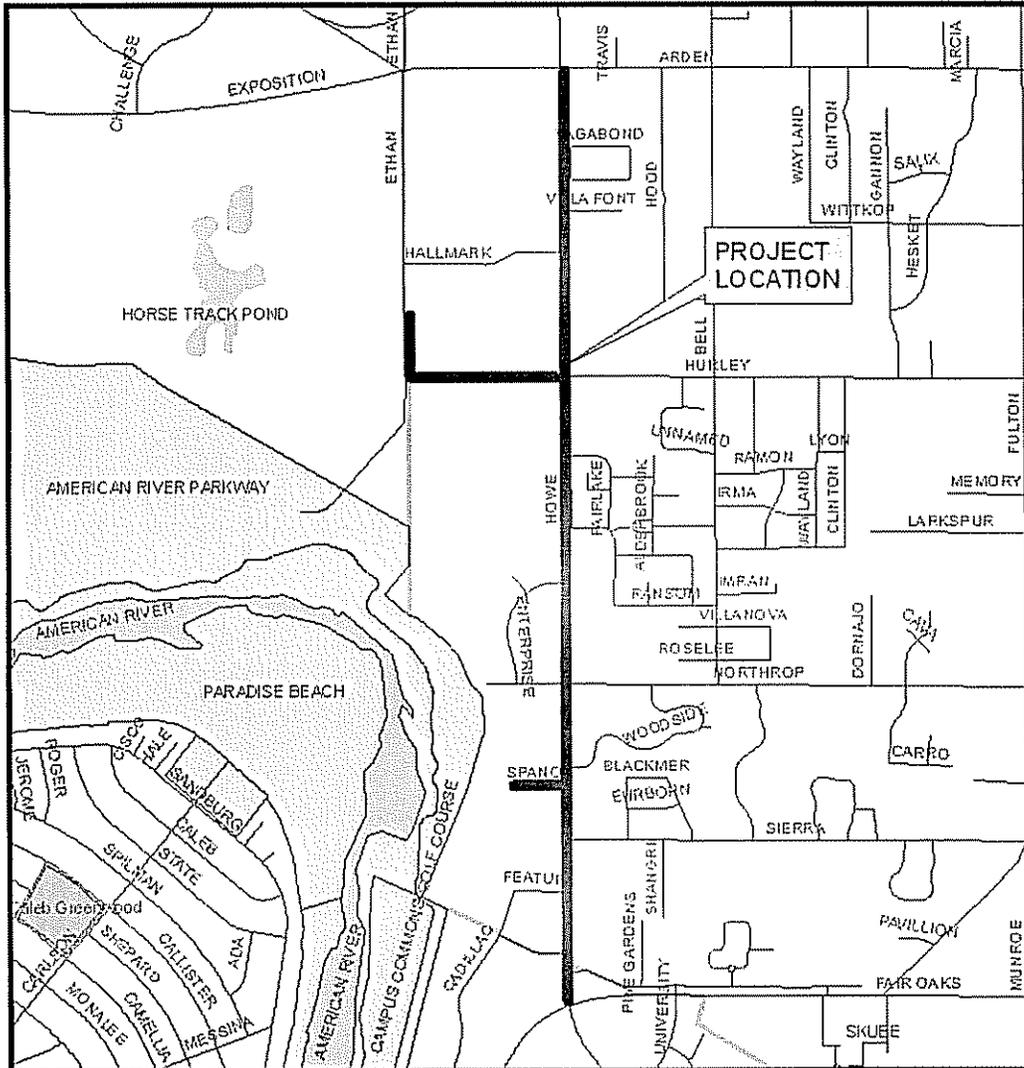
The four (4) bids were opened by the City Clerk on August 2, 2006, are summarized below:

Contractor	Bid Amount
Adesta LLC	\$168,748
Vellutini Corporation	\$175,629
Ridgley Engineering	\$182,266
HHS Construction	\$192,068

- The engineer's estimate was \$160,000.
- The fifth bid, that was not opened by the City Clerk at the designated bid opening time, was for an amount of \$133,974 by Golden State Utility Company.

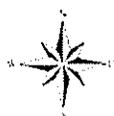
ATTACHMENT 2

HOWE AVE FIBER OPTIC CABLE INSTALLATION PROJECT (JN.9348)



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Map Prepared By
City of Sacramento
Department of Utilities



RESOLUTION NO.

Adopted by the Sacramento City Council

**REJECTION OF BIDS FOR THE HOWE AVENUE
FIBER OPTIC CABLE INSTALLATION PROJECT (JN: 9348)**

BACKGROUND

- A. The Howe Avenue Fiber Optic Cable Installation project was advertised for bidding and bids were received on August 2, 2006
- B. Due to problems during the bid opening, staff recommends that all bids be rejected so that the project can be re-bid.

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

- Section 1. All bids for the Howe Avenue Fiber Optic Cable Installation Project (JN: 9348) are rejected.