



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Consent
October 24, 2006

Honorable Mayor and
Members of the City Council

Title: Award Contract: Construction of Sewer Manholes 2006 Project (PN: XI31)

Location/Council District: The Construction of Sewer Manholes – 2006 project is located in various parts of the City.

Recommendation: Adopt a **Resolution:** 1) suspending competitive bidding, in the best interest of the City, for the Construction of Sewer Manholes – 2006 project (PN: XI31); 2) transferring \$25,000 from the Sewer Fund Base Reserve (PN: XE01); and 3) approving the project plans and specifications and awarding the project construction contract to Florez Paving for an amount not to exceed \$101,500.

Contact: Dave Brent, Engineering Services Manager, 808-1420; Rick Batha, Supervising Engineer, 808-1448

Presenters: N/A

Department: Utilities

Division: Engineering Services

Organization No: 3332

Description/Analysis

Issue: This project will construct manholes where sewer lines that are located in back yard easements cross street right-of-way. Constructing manholes over existing sewer lines facilitates access to the lines for maintenance, while lessening disturbance for the residents who have a manhole in their backyard. The project advertised on the City's bid page for 14 days, but because the bids for this project were expected to be below \$100,000, the competitive bidding procedures used did not include the newspaper advertising required for contracts of \$100,000 or more. Due to the increased costs of construction materials, the bids received exceeded \$100,000. Suspending competitive bidding will serve the City's best interest by allowing a contract to be awarded to the lowest responsible bidder, Florez Paving, without re-bidding. Because the bids for this project were expected to be lower, additional funding of \$25,000 is necessary to complete the project.

Policy Considerations: The recommendations in this report are consistent with the City's Strategic Plan to improve and expand public safety. Suspension of competitive bidding in the best interests of the City is authorized by City Code Section 3.60.170(d).

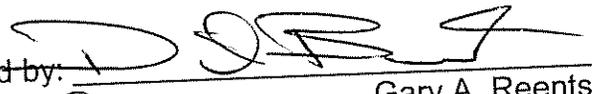
Environmental Considerations: The City's Environmental Planning Services Division has reviewed the project and has determined this project is exempt from CEQA. A categorical exemption, State Class 2 and 3 and Sections 15302 (c) and 15303 (d) of the CEQA guidelines, will be filed with the County Clerk after City Council awards this construction contract.

Rationale for Recommendation: On September 22, 2006, bids from two contractors were opened. This project was competitively bid, but the request for bids was not advertised in the official newspaper as required for contracts of \$100,000 or more. Florez Paving was the lowest responsible bidder. Staff recommends contract award to Florez Paving, an ESBE contractor, rather than re-bidding with the above advertisement. Staff does not believe that re-bidding would result in lower bids, and may result in higher bids.

Financial Considerations: The construction contract is for an amount not to exceed \$101,500, and the total project cost is estimated to be \$120,000. The current un-obligated balance is \$95,200. Staff recommends funds in the amount of \$25,000 be transferred from the Sewer Fund Base Reserve (PN: XE01, fund 414) to the Construction of Sewer Manholes – 2006 Project (PN: XI31, fund 414) to complete the project.

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 City Council on February 9, 1999. The lowest responsible bidder, Florez Paving, exceeded the ESBE goals with a participation level of 100%.

Respectfully Submitted by: 
Dave Brent
Engineering Services Division Manager

Approved by: 
Gary A. Reents
Director, Department of Utilities

Recommendation Approved:


for Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

AWARD CONTRACT FOR CONSTRUCTION OF SEWER MANHOLES 2006 PROJECT (PN: XI31)

BACKGROUND

- A. This project will construct manholes where sewer lines that are located in back yard easements cross street right-of-way. Constructing manholes over existing sewer lines facilitates access to the lines for maintenance, while lessening disturbance for the residents who have a manhole in their backyard.
- B. City staff prepared the contract specifications and maps to construct the sewer manholes necessary to improve public service. The project was advertised on the City's bid page for 14 days. Since the bids for this project were expected to be below \$100,000, the competitive bidding procedures used did not include the newspaper advertising required for contracts of \$100,000 or more. Due to higher costs of materials, both bids received exceeded \$100,000. Florez Paving was the lowest responsible bidder.
- C. Because the project is relatively small and was advertised in the City's bid page for 14 days, it is unlikely that re-bidding with the newspaper advertising required for contracts of \$100,000 or more would result in lower bids, and may result in higher bids. For this reason, it is in the City's best interests to suspend competitive bidding to allow the contract to be awarded without re-bidding.

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

- Section 1. In the best interests of the City, competitive bidding is suspended for the Construction of Sewer Manholes 2006 Project (PN: XI31).
- Section 2. The City Manager is authorized to transfer \$25,000 from the Base CIP Reserve Sewer Project (PN: XE01, fund 414) to the Construction of Sewer Manholes – 2006 Project (PN: XI31, fund 414).
- Section 3. The project plans and specifications are approved, and the project construction contract is awarded to Florez Paving for an amount not to exceed \$101,500.

