



REPORT TO COUNCIL 10

City of Sacramento

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

Consent
December 5, 2006

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

Title: Rejection of Bids for the Sump 154 Outfall Lining Project (PN: WE23).

Location/Council District: Sump 154 is located at 77 Arcade Blvd. within Council District 2 (see enclosed map).

Recommendation: Adopt a **Resolution** rejecting all bids received for the Sump 154 Outfall Lining Project (PN: WE23).

Contact: David L. Brent, Engineering Manager, 808-1420, or Andy Hunt, Supervising Engineer, 808-1408.

Presenters: Not applicable

Department: Department of Utilities

Division: Engineering Services

Organization No: 3332

Description/Analysis

Issue: The City received three bids for this project, the lowest of which exceeded both the engineer's estimate and the project fund balance. City staff recommends rejection of these bids, so that alternatives can be evaluated.

Policy Considerations: Rejection of all bids is consistent with Chapter 3.60 of the City Code.

Environmental Considerations: Rejection of bids does not constitute a "project" that requires environmental review under the California Environmental Quality Act.

Rationale for Recommendation: Rejecting these bids will allow the project to be re-bid based on alternative lining methods. This serves the public interest by better allocation of funds in accordance with the established budget.

Financial Considerations: Evaluation of alternatives and re-bidding is anticipated to yield bids closer to the budget so that sufficient funds will be available for contract award.

Emerging Small Business Development (ESBD): This project included a participation goal 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:

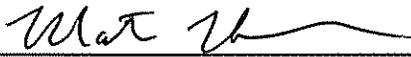
for 
Ray Kerridge
City Manager

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Attachment 1**Background****Reject All Bids for the Sump 154 Outfall Lining Project (PN: WE23)**

Sump 154 is a drainage lift station operated by the City of Sacramento. It collects storm water runoff from 662 acres, and then pumps it into Arcade Creek. The station location, 77 Arcade Blvd., is shown on the attached map. It serves portions of the Wills Acres, Noralto, Old North Sacramento, and Richardson Village neighborhoods.

Sump 154 was constructed initially in the mid 1930's, then upgraded in 1967 by the American River Flood Control District (ARFCD). The City has taken over maintenance and operation of the facility from ARFCD. The facility has one 12", two 30", and one 36" steel discharge lines installed thru the adjacent levee. At least the two 30" discharge lines were installed around 1934, and the other two lines were installed sometime prior to 1967.

The original protective coal tar epoxy lining on the steel pipes has now almost completely worn off. This leaves the pipes susceptible to corrosion. Significant pipe corrosion could lead to damage and/or future failure of the adjacent levee. There is no eminent danger of levee failure in this location without this project. Earlier this year, the exposed downstream ends of the 12" and 36" pipes were so severely corroded, that the flap gates mounted on them had fallen off. The lining project would have installed a nominal 1" thick corrosion resistant fiberglass liner in each pipe.

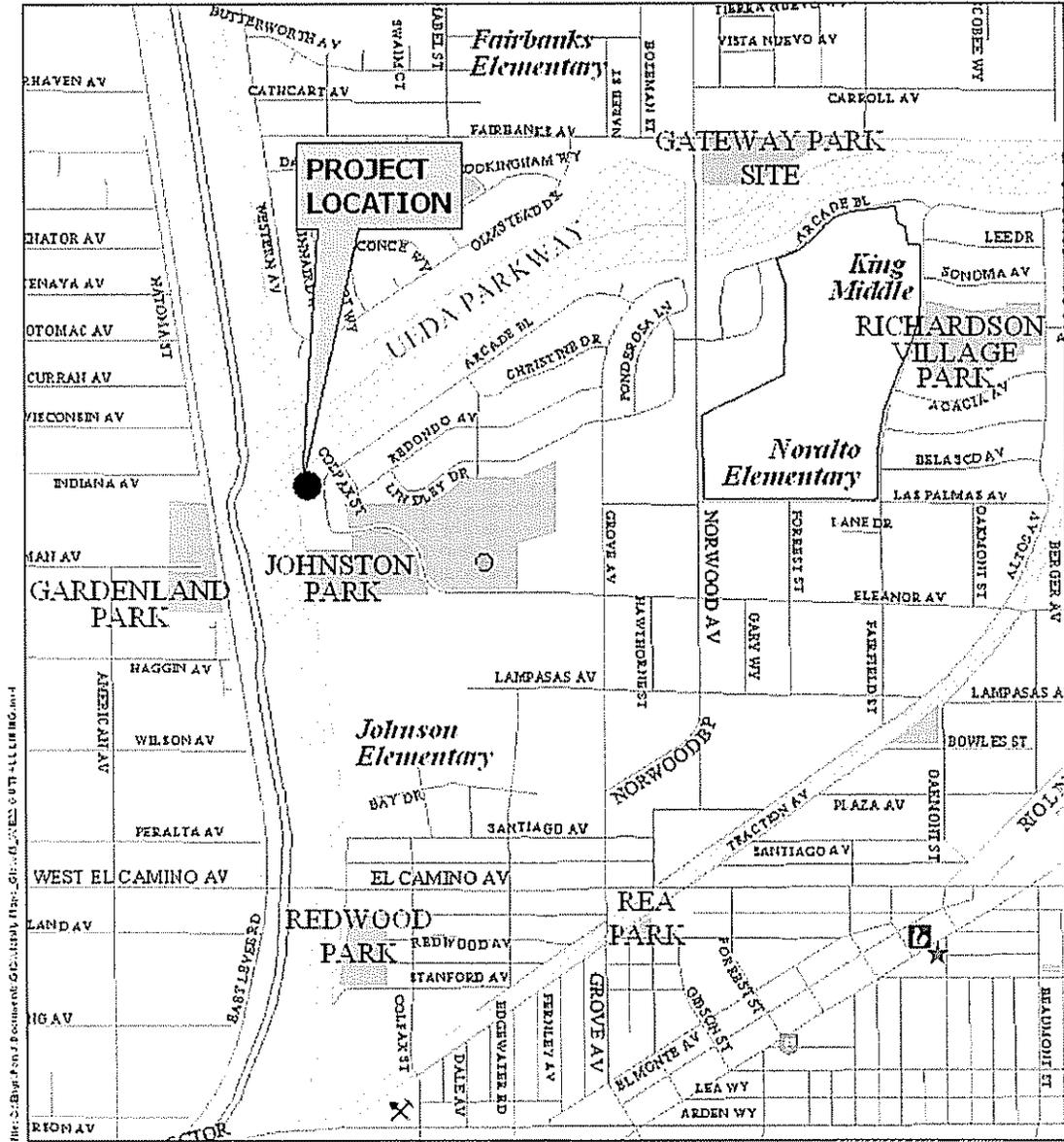
The project was competitively bid, and the City Clerk received and opened three bids on September 27th, 2006, as follows:

Contractor	Bid Amount
Pacific Liners	\$221,968
Insituform	\$248,666
Michels Corp	\$264,087

These bids significantly exceeded the Engineer's estimate of \$140,000, and there currently are insufficient funds available for award at the lowest bid price. Rejecting these bids now will allow time to evaluate alternative lining methods, and to assess whether it would be more cost-effective to install a new corrosion resistant 12" discharge pipe via conventional methods.

ATTACHMENT 2

SUMP 154
OUTFALL LINING PROJECT
(PN.WE22)



File: S:\Burl\Proj\Documents\GIS\Utility\Hrns\GIS\Map\WE23_OUTFALL_LINING.mxd



Map Prepared By
City of Sacramento
Department of Utilities



RESOLUTION NO.

Adopted by the Sacramento City Council

REJECTION OF BIDS FOR THE SUMP 154 OUTFALL LINING PROJECT (PN: WE23)

BACKGROUND

- A. Sump 154 is a drainage lift station operated by the City of Sacramento that conveys drainage from Basin 154 to Arcade Creek.
- B. The Sump 154 Outfall Lining Project was advertised for bidding on September 8th, and three bids were received and opened on September 27th, 2006.
- C. The lowest bid significantly exceeded the engineer's estimate and project fund balance.
- D. Rejecting these bids will allow alternative lining methods and/or technologies to be evaluated, with the intent of obtaining future bids within budget.

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

- Section 1. The bids received on September 27, 2006 for the Sump 154 Outfall Lining Project (PN: WE23) are rejected.