



# REPORT TO COUNCIL

## City of Sacramento

7

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

Consent  
February 6, 2007

Honorable Mayor and  
Members of the City Council

**Title: Contract: Truxel Road at Natomas Marketplace Entrance Modification and Improvement Project (PN: ST21)**

**Location/Council District:** Truxel Road at Natomas Market Place between Interstate 80 and Natomas East Drain Canal. Location map – Exhibit A of Resolution. (District 1)

**Recommendation:** Adopt a **Resolution:** 1) approving plans and specifications for the Truxel Road at Natomas Marketplace Entrance Modification and Improvement Project (PN: ST21); 2) awarding the base bid construction contract with AC General Engineering for an amount not to exceed \$521,748; and 3) awarding the additive alternate bid construction contract with Gold Valley Construction for an amount not to exceed \$64,558.

**Contact:** Ricky Chuck, Senior Civil Engineer, (916) 808-5050; Jon Blank, Supervising Engineer, (916) 808-7914

**Presenters:** None

**Department:** Department of Transportation

**Division:** Engineering Services

**Organization No:** 3434

### **Description/Analysis**

**Issue:** Bids have been received for the Truxel Road at Natomas Marketplace Entrance Modification. AC General Engineering is the lowest responsive and responsible bidder for the base bid, and Gold Valley Construction is the lowest responsive and responsible bidder for the additive alternate bid. City Council approval is necessary to move forward with awarding the construction contracts.

**Policy Considerations:** This action requested herein is consistent with the Sacramento City Code, Title 3 and with the City of Sacramento Strategic Plan goals of improving and expanding public safety.



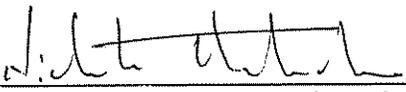
**Environmental Considerations:** The Development Services Department, Environmental Planning Services Division has reviewed the proposed action and determined that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) under Class 1, Section 15301(c), Class 3, Section 15303(d), Class 4, Section 15304(b) and Section 15304(f) of the CEQA Guidelines. Class 1, Section 15301(c) consists of minor alterations of existing highways, streets, sidewalks, curbs, gutters and similar facilities. Class 3, Section 15303(d) consists of new construction of street improvements. Class 4, Section 15304(d) consists of new gardening or landscaping and Section 15304 (f) consists of minor trenching and backfilling where the surface is restored.

**Rationale for Recommendation:** AC General Engineering is the lowest responsive and responsible bidder for the base bid, and Gold Valley Construction is the lowest responsive and responsible bidder for the additive alternate bid. Project funding is sufficient to award the base bid and the additive alternate bid.

**Financial Considerations:** As of January 8, 2007, the Truxel Road at Natomas Marketplace Entrance Modification and Improvement Project (PN: ST21) has an unobligated balance of \$854,450, which is sufficient to execute the two construction contracts in a total amount of \$586,306 with AC General Engineering and Gold Valley Construction and provide for reimbursement of City furnished equipment and cover remaining construction management costs.

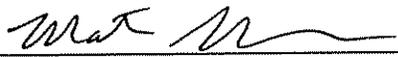
**Emerging Small Business Development (ESBD):** The ESBD goal is 20%. To encourage small and emerging business participation, plans and specifications were sent to 14 plan rooms and construction service organizations for publication. All are directly involved with Emerging and Small Business Enterprise (ESBE) construction firms. The project was also announced on the City's Project Internet site at [www.cityofsacramento.org/bids](http://www.cityofsacramento.org/bids). AC General Engineering has 71.3% achieved ESBE participation, and Gold Valley Construction has a 79.5% ESBE participation.

February 6, 2007

Respectfully Submitted by:   
Nicholas Theocharides  
Engineering Services Manager

Approved by:   
Jerry Way  
Director of Transportation

Recommendation Approved:

  
RAY KERRIDGE  
City Manager

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**Attachment 1**

**Background Information:**

The Truxel Road at Natomas Market Place Entrance Modification and Improvement Project (PN: ST21) consists of two phases. Phase one improvement will construct a traffic signal at the northern Truxel Road driveway entrance of the Natomas Marketplace site. Phase two improvement will extend the northbound Truxel Road triple left turn pocket at Gateway Park Boulevard for traffic entering the Natomas Marketplace main entrance. City staff has obtained an encroachment permit from California Department of Transportation (Caltrans) to construct a portion of the improvements in Caltrans right of way.

The Truxel Road at Natomas Market Place Entrance Modification and Improvement Project (PN: ST21) is the direct result of a Settlement Agreement and Release of Litigation between the following parties: 1) Donahue Schriber Realty Group, L.P., the Petitioner in the Litigation, and the owner of the Natomas Marketplace, 2) The City of Sacramento, respondents in the Litigation, 3) Opus West Corporation, a Real Party in Interest in the Litigation and the owner and developer of the Promenade at Natomas Project, and 4) The Fong Liquidating Trust, and its Co-Trustees Norma On, Roger G.F. Fong, and Merrily F. Wong, Real Parties in Interest in the Litigation and the owners of a portion of the Promenade Project site. As part of the above mentioned settlement agreement, the developer of the Promenade at Natomas Project has provided to the City \$1,000,000 to construct the project.

**Attachment 1**

Phase one improvement was advertised and one bid in the amount of \$758,267 was received on July 26, 2006. On September 5, 2006, City Council rejected the bid due to the very high bid received and approved the project for re-bidding. The project was re-advertised and bids were received on December 13, 2006. The bids are summarized below:

<b>Contractor</b>	<b>Base Bid Amount (Phase 1)</b>	<b>Additive Alternate Bid Amount (Phase 2)</b>	<b>ESBE Participation Goal 20%</b>
AC General Engineering	\$521,748	\$108,698	71.3%
C & C Construction	\$522,096	\$87,090	23.4%
Granite Construction	\$548,918	\$128,370	27.6%
Gold Valley Construction	\$574,064	\$64,558	79.5%
Jaeger Construction	\$581,277	\$163,136	15.2%
Biondi Paving, Inc.	\$588,513	\$84,068	19.2%
Yubacon, Inc.	\$665,069	\$89,883	76.5%
Westcon Construction	\$670,714	\$133,820	39.5%
Olympic Land Construction	\$694,415	\$91,566	73.3%

The engineer's estimate is \$590,000.

Since there are two lowest bidders, one for each bid, and the project funding is sufficient to award both bids, it is recommended that the contract be awarded to AC General Engineering for its lowest responsive and responsible bid for the base bid (phase one improvement) and Gold Valley Construction for the additive alternate bid (phase two improvement). AC General Engineering's bid is significantly lower than the bid received on July 26, 2006.

Construction is expected to begin in March 2007 and be completed by September 2007.

**Attachment 2**

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**APPROVING PLANS AND SPECIFICATIONS AND AWARDING CONTRACTS FOR  
THE TRUXEL ROAD AT NORTH MARKETPLACE ENTRANCE MODIFICATION AND  
IMPROVEMENT PROJECT (PN: ST21)**

**BACKGROUND**

- A. The Truxel Road at Natomas Market Place Entrance Modification and Improvement Project (PN: ST21) consists of two phases. Phase one improvement will construct a traffic signal at the northern Truxel Road driveway entrance of the Natomas Marketplace site. Phase two improvement will extend the northbound Truxel Road triple left turn pocket at Gateway Park Boulevard for traffic entering the Natomas Marketplace main entrance.

The Truxel Road at Natomas Market Place Entrance Modification and Improvement Project (PN: ST21) is the direct result of a Settlement Agreement and Release of Litigation among the following parties: 1) Donahue Schriber Realty Group, L.P., the Petitioner in the Litigation, and the owner of the Natomas Marketplace, 2) The City of Sacramento, respondents in the Litigation, 3) Opus West Corporation, a Real Party in Interest in the Litigation and the owner and developer of the Promenade at Natomas Project, and 4) The Fong Liquidating Trust, and its Co-Trustees Norma On, Roger G.F. Fong, and Merrily F. Wong, Real Parties in Interest in the Litigation and the owners of a portion of the Promenade Project site. As part of the above mentioned settlement agreement, the developer of the Promenade at Natomas Project has provided to the City \$1,000,000 to construct the project.

- B. Phase one improvement was advertised and one bid in the amount of \$758,267 was received on July 26, 2006. On September 5, 2006, City Council rejected the bid due to significantly high bid amount and approved the project be re-bidding. The project was re-advertised and bids were received on December 13, 2006. The bids are summarized below:

<b>Contractor</b>	<b>Base Bid Amount (Phase 1)</b>	<b>Additive Alternate Bid Amount (Phase 2)</b>	<b>ESBE Participation Goal 20%</b>
AC General Engineering	\$521,748	\$108,698	71.3%
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Westcon Construction	\$670,714	\$133,820	39.5%
Olympic Land	\$694,415	\$91,566	73.3%

The engineer's estimate is \$590,000.

Since there are two different lowest bidders, one for each bid, and the project funding is sufficient to award both bids, it is recommended that the contract be awarded to AC General Engineering for its lowest responsive and responsible bid for the base bid (phase one improvement) and Gold Valley Construction for the additive alternate bid (phase two improvement). AC General Engineering's bid is significantly less than the bid received on July 26, 2006.

- C. Construction is expected to begin in March 2007 and be completed by September 2007.

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

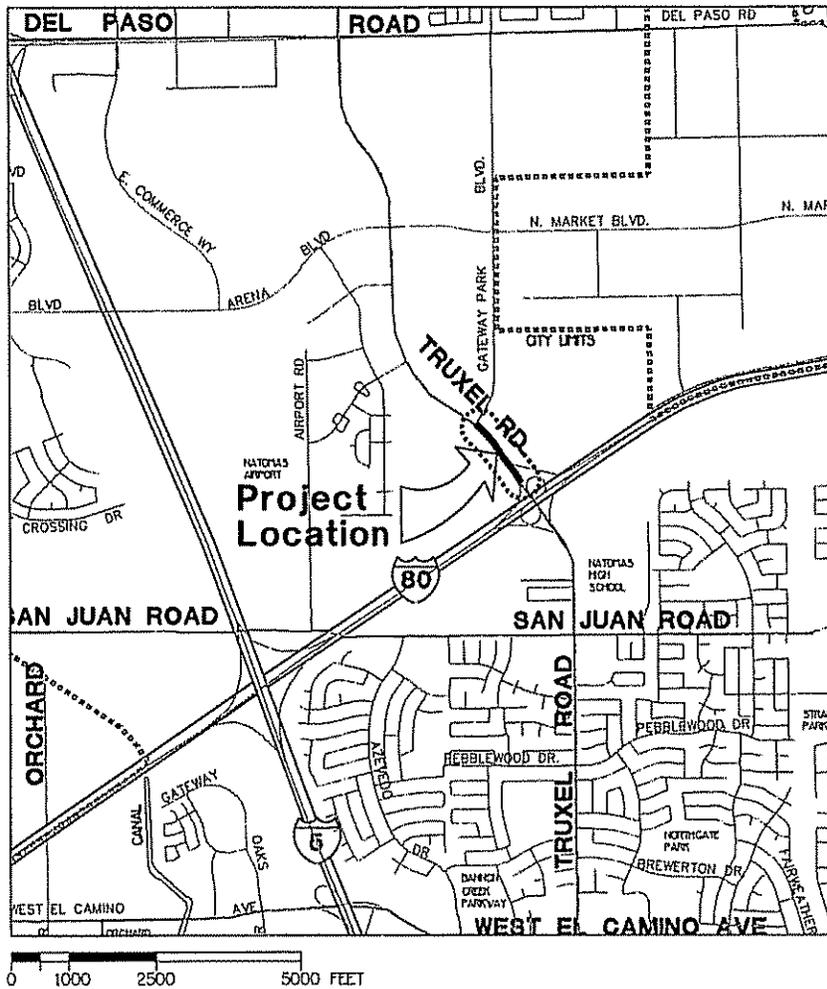
- Section 1. Plans and specifications for the Truxel Road at North Marketplace Entrance Modification and Improvement Project (PN: ST21) are approved.
- Section 2. The construction contract for the base bid is awarded to AC General Engineering for an amount not to exceed \$521,748.
- Section 3. The construction contract for the additive alternate bid is awarded to Gold Valley Construction for an amount not to exceed \$64,558.

**Table of Contents:**

- Exhibit A: Map of Truxel Road at North Marketplace Entrance Modification and Improvement Project (PN: ST21)

**EXHIBIT A**

**TRUXEL ROAD AT NORTH MARKETPLACE  
ENTRANCE MODIFICATION PROJECT**



**PN: ST21  
LOCATION MAP**

MAP CONTACT: B. CAMPION  
DATE: 7/25/06

