



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2671
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CONSENT
October 6, 2005

Honorable Mayor and
Members of the City Council

Subject: Purchase: Trucking Services

Location/Council District: Citywide

Recommendation:

Adopt the attached Resolution: 1) rejecting all bids submitted in response to Bid No. B051181029, 2) approving the award of contracts for trucking services, and 3) authorizing the Procurement Services Manager to issue contracts and purchase orders for trucking services with three separate trucking firms in a total amount not to exceed \$500,000 for a period not to exceed one year.

Contact: Jim Vietheer, Streets Services General Supervisor, 808-2287;
Kathy Mullen, Water and Sewer Superintendant, 808-1418;
Barbara Collins, Program Analyst, 808-7432

Presenters: None

Department: Transportation and Utilities

Division: Street Services and Plant Services

Organization No: 3492 and 3321

Summary:

On June 28, 2005, pursuant to Resolution No. 2005-549, the City Council suspended competitive bidding and authorized the use of the Sheltered Market approach. Sealed bids were received by the City Clerk for furnishing trucking services in support of minor street repairs and delivery of aggregate plant mix materials for the Department of Transportation and for sludge disposal for the Department of Utilities. However, during the evaluation phase of the bid process, staff determined that bid language and criteria used to evaluate and select responsible and responsive bidders did not result in bids that met the City's intended objectives. Staff recommends adopting the attached Resolution rejecting all bids submitted in response to Bid No. B051181029 and approving the award of contracts based on negotiated agreements with the original three firms whose bids were considered responsive in a total accumulated amount not to exceed \$500,000. Each of the three firms are City certified as Emerging/Small Business Enterprises (E/SBEs).

Committee/Commission Action: None**Background Information:**

- The Department of Transportation, Streets Services Division has a need for trucking services in support of minor street repairs and for delivery of aggregate plant mix materials to various sites. This service will be used for hauling waste materials generated by Street Services in-house road repairs such as, but not limited to, base repair by backhoe excavation and base repair by cold mill planing. Service will also include hauling various aggregate plant materials such as, but not limited to, hot mix asphalt concrete, aggregate road base and fill sand to job sites, stockpile locations within City corporation yards, or other designated locations in support of in-house road repairs.
- The Department of Utilities, Plant Services Division has a need for trucking services to remove and dispose of water treatment sludge.
- In previous years, the two departments issued separate contracts and bids. This year the two separate bid processes were consolidated into one to reduce administrative costs and time associated with the bid solicitation and contract administration process.
- On June 28, 2005, pursuant to Resolution No. 2005-549, Council suspended competitive bidding to allow for a Sheltered Market approach in the solicitation of formal bids from City-certified Emerging/Small Business Enterprise (ESBE) firms for trucking services. Invitations for Bid (IFBs) were sent to 17 City-certified firms. Four responses were received and three were determined to be responsive. The Department of Transportation and the Department of Utilities intend to use these three firms on a rotational basis based on their ability to provide the City waste hauling at the time and for the anticipated duration the City may require.
- During the evaluation phase of the bid process, staff determined that bid language and criteria used to evaluate and select responsive and responsible bidders did not meet the City's intended objectives of developing a standard pricing structure that would accommodate using contractors on a rotational basis to perform trucking services. In addition, bid language and evaluation criteria did not provide allowances for equitable price adjustments to address marketplace realities as it pertains to the rising cost of diesel fuel. Based on the aforementioned, staff has utilized the pricing from the original bids submitted as a basis for negotiating a fair and reasonable rate for the services required. This rate reflects the necessary adjustments to compensate for the rising cost in diesel fuel and meets the needs of both the City and the contractors recommended to provide the services. This rate will be paid to all vendors for work performed under this contract, thus allowing equity for all service providers and a predictable pricing rate for City departmental budgeting purposes. The recommended contract term for this service is for a period not to exceed one year from the date of award.
- It is recommended that contracts be awarded to the three firms whose original bids were considered responsive in an amount not to exceed \$166,666. each to Tim A. Manley Trucking, Inc., D & N Associates, Inc., and Chavez Trucking in a total amount not to exceed \$500,000.

Financial Considerations:

Sufficient funds are available in the FY05/06 Street Maintenance operating budget (101-340-3492) and in the FY05/06 Water Production Operations budget (413-330-3321) for trucking services.

Environmental Considerations: None

Policy Considerations:

The Equal Benefits Ordinance (EBO) and the Living Wage Ordinance (LWO) are applicable to these contracts.

Emerging Small Business Development (ESBD):

Each of the contractors recommended above are City certified as Emerging/Small Business Enterprises (E/SBEs).

Reviewed/Approved by: Craig B. Symon for
Chris Stewart
Procurement Services Manager

Approved by: Marty Hanneman
Marty Hanneman, Director
Department of Transportation

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

Recommendation Approved:

Robert P. Thomas
ROBERT P. THOMAS
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

REJECT ALL BIDS FOR BID NO. B051181029 FOR TRUCKING SERVICES AND AWARD CONTRACTS FOR TRUCKING SERVICES IN A TOTAL AMOUNT NOT TO EXCEED \$500,000

BACKGROUND

- A. The Department of Transportation, Streets Services Division has need for trucking services in support of minor street repairs and for delivery of aggregate plant mix materials to various sites, including hauling of waste materials generated by Street Services in-house road repairs and hauling of aggregate materials to job sites, stockpile locations at City corporation yards, or other designated locations in support of in-house road repairs. The Department of Utilities, Plant Services Division has a need for trucking services to remove and dispose of water treatment sludge.
- B. On June 28, 2005, pursuant to Resolution No. 2005-549, Council suspended competitive bidding to allow for a Sheltered Market approach in the solicitation of a formal bid for trucking services. Invitations for Bid (IFBs) were sent to 17 City-certified Emerging/Small Business Enterprise (ESBE) firms. Four responses were received and three were determined to be responsive. During the evaluation phase of the bid process, staff determined that bid language and criteria used to evaluate and select responsible bidders did not meet the City's intended objectives of developing a standard pricing structure that would accommodate using contractors on a rotational basis to perform trucking services.
- C. Staff utilized pricing from the original bids submitted as a basis for negotiating a fair and reasonable rate for the services required. This rate reflects the necessary adjustments to compensate for the rising cost in diesel fuel and meets the needs of both the city and the contractors recommended to provide the essential trucking services. The recommended contractors are the three firms whose original bids were considered to be responsive.

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

- Section 1. All bids received for Bid No. B051181029 for Trucking Services are hereby rejected.
- Section 2. The Procurement Services Manager is hereby authorized to issue the necessary contracts and purchase orders for the provision of trucking services in an amount not to exceed \$166,666 to Tim A. Manley Trucking, Inc., P.O. Box 292547, Sacramento, CA, 95829; in an amount not to exceed \$166,666 to D & N Associates, Inc., P.O. Box 277465, Sacramento, CA, 95827; and in an amount not to exceed \$166,666 to Chavez Trucking, P.O. Box 365, Dixon, CA, 95620, in a total accumulated amount not to exceed \$500,000 for a period not to exceed one year.