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DEPARTMENT OF
UTILITIES

ENGINEERING SERVICES

CITY OF SACRAMENTO
CALIFORNIA

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June 11, 1996

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: R/S ALLEY AND 26TH STREET SEWER REPLACEMENT (PN: XM04) - TRANSFER OF FUNDS AND AWARD OF CONTRACT TO NAVAJO PIPELINES FOR AN AMOUNT NOT TO EXCEED \$147,224

LOCATION AND COUNCIL DISTRICT

This project is located in the R/S Alley between 24th and 26th Streets, and in 26th Street between R Street and the R/S Alley (District 4).

RECOMMENDATION

This report recommends that the City Council approve the attached resolution to transfer appropriations and authorize the City Manager and City Clerk to accept the low bid of Navajo Pipelines in the amount of \$147,224 and award the contract.

CONTACT PERSON: Andrew A. Hunt, Senior Engineer, 433-6620

FOR COUNCIL MEETING OF: June 25, 1996

SUMMARY

Bids from eight contractors were received on May 29, 1996. Navajo Pipelines was the low bidder at \$147,224.

COMMITTEE/COMMISSION ACTION

None.



BACKGROUND INFORMATION

- This project replaces deteriorated combination sewer and storm drainage mains, manholes, services, and drain inlets.
- The new mains and drain inlets will be larger, to help alleviate minor flooding.
- The bids received on May 29, 1996, were:
 1. Sierra National \$145,795
 2. Navajo Pipelines \$147,224 *
 3. Daniel Ontiveros \$153,604 *
 4. Flowline Contractors \$155,560
 5. Western Engineering \$160,452
 6. JJM Engineering \$168,568
 7. Spinella Heer \$189,860 *
 8. Civil Engineering \$190,920

Note: MBE/WBE contractors are indicated with (*).

- Navajo Pipelines bid was eligible for a price preference of 7% for being a City-certified and preference-eligible WBE exceeding the MBE/WBE participation goals. Applying the price preference, Navajo Pipelines becomes the low bidder at \$147,224.
- The engineer's estimated construction cost was \$160,000. The estimated project completion date is October 1, 1996.

ENVIRONMENTAL DETERMINATION

The Environmental Services Division previously determined that this project is categorically exempt pursuant to Section Number 15302(c) of the California Environmental Quality Act because it replaces a utility system with one that has the same purpose and capacity as the existing.

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FINANCIAL CONSIDERATION

The revised estimated total project cost, including all planning, design, and construction costs, is \$190,000. The R/S Alley and 26th Street Sewer Replacement Project currently has an unobligated balance of \$80,000. Staff recommends that \$110,000 be transferred from the Combined Sewer System Reserve to the R/S Alley Sewer Replacement by adoption of the attached resolution. Since this project is on a segment of the combined system, it will be funded 75% from drainage funds and 25% from sewer funds. \$82,500 will be transferred from 425-500-XD42-4820 and \$27,500 will be transferred from 414-500-XD42-4820, which have unobligated balances of \$9,708,591 and \$1,747,371, respectively, as of June 4, 1996.

POLICY CONSIDERATIONS

This action is consistent with Section 58.03. 304 of the City Code, which provides that the City Council may award competitively bid contracts to the lowest responsible bidder or reject all bids per resolution No. 93-619 relating to MBE/WBE participation goals and policies adopted by the City Council on November 2, 1993.

MBE/WBE

- This project included participation goals of 10.57% MBE and 9.5% WBE as required by Resolution 93-619, relating to MBE/WBE participation goals and policies, adopted by the City Council on November 2, 1993. Award of the project is contingent upon the responsive low bidder either meeting these project MBE/WBE participation goals or making documented good faith efforts towards meeting the project goals.
- The low bidder based on preferences, Navajo Pipelines, met the City's MBE/WBE participation goals with 11.01% MBE and 88.13% WBE, which was verified by staff, entitling them to a preference of 7%.
- The second low bidder based on preferences also met the City's participation goals, which entitles them to a price preference of 7%.
- The third low bidder, based on preferences met the City's MBE participation goal but not the WBE participation goal, which entitles them to a price preference of 2%.
- After the price preferences are applied, Navajo Pipelines is the low bidder at \$147,224.

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- Plans and specifications were sent to seven (7) plan rooms and construction services organizations for publication and use by the construction industry of Northern California. There are four (4) organizations on the distribution list that are directly involved with outreach to MBE/WBE contractors.

Other outreach efforts to MBE/WBEs for this project included:

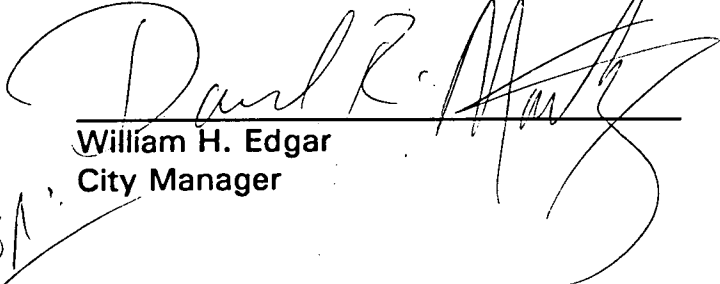
- Advertisement of the project on the City of Sacramento Construction Project Bid Line (916) 392-4758.
- Free access to review the project plans and specifications at the City of Sacramento Planroom at Engineering Division offices at 927 10th Street.
- Provide notice of this project to three (3) minority chambers of commerce and three (3) minority and women community organizations directly involved with the outreach to MBE/WBEs.

Respectfully Submitted By:



Gary A. Reents
Engineering Services Manager

RECOMMENDATION APPROVED:



William H. Edgar
City Manager

APPROVED:



James G. Sequeira
Director of Utilities

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO TRANSFER FUNDS FROM COMBINED SEWER SYSTEM RESERVES AND EXECUTE A CONTRACT WITH NAVAJO PIPELINES FOR THE R/S ALLEY AND 26TH STREET SEWER REPLACEMENT (PN: XM04) IN THE AMOUNT OF \$147,224.

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

1) Funds be transferred as follows:

From:

Combined Sewer System Reserve 414-500-XD42-4820 (\$27,500)

Combined Sewer System Reserve 425-500-XD42-4820 (\$82,500)

To:

R/S Alley Sewer Replacement 414-500-XM04-4820 \$ 27,500

R/S Alley Sewer Replacement 425-500-XM04-4820 \$ 82,500

2) The City Manager and City Clerk are authorized to sign and execute a contract with Navajo Pipelines for the R/S Alley and 26th Street Sewer Replacement (PN: XM04) for an amount not to exceed \$147,224.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____