



CO 94-020

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DEPARTMENT OF
UTILITIES
ENGINEERING SERVICES

CITY OF SACRAMENTO
CALIFORNIA

5770 FREEPORT BLVD.
SUITE 100
SACRAMENTO, CA
95822-2911
PH 916-433-6318
FAX 916-433-6652

March 15, 1994

City Council
Sacramento, California

Honorable Members In Session:

**SUBJECT: RIVERSIDE WATER TREATMENT PLANT ELECTRICAL MODIFICATIONS
(PN:ZE26) CONTRACT AWARD TO NAVAJO PIPELINES FOR AN AMOUNT
NOT TO EXCEED \$113,376**

LOCATION AND COUNCIL DISTRICT

This project is located at Sump 2, at the intersection of 11th Avenue and Riverside Boulevard (District 4).

RECOMMENDATION

It is recommended that the City Council accept the low bid of Navajo Pipelines in the amount of \$113,346, award the contract and increase funding of PN:ZE26 by \$47,200 to \$140,000.

CONTACT PERSON: Gary E. Gosse, Supervising Engineer, 433-6611

FOR COUNCIL MEETING OF: April 5, 1994

SUMMARY

On January 18, 1994, the City Council approved plans and specifications for this project and authorized advertising for bids. Bids were received from four (4) contractors and opened by the City Clerk on February 23, 1994. Navajo Pipelines is the low bidder at \$113,376 and has met the goals to utilize MBE/WBE participation.

COMMITTEE/COMMISSION ACTION

None.



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BACKGROUND INFORMATION

The Department of Utilities maintains the Riverside Water Treatment Plant to provide water to the City in the event of an emergency. Currently the Plant's electrical feed is from a SMUD service which is separate from the SMUD service of Sump 2 facility located in the same site. Even though this plant is used infrequently, it is being assessed a demand charge by SMUD. By rerouting the power for this facility to the main service at Sump 2, the City will eliminate the demand charge. This project should pay for itself within five years.

On January 18, 1994 the City Council approved plans and specifications for this project and authorized advertising for bids.

The four bids received were:

Navajo Pipelines	\$113,376 *
Clyde G. Steagall, Inc.	\$117,608
Steiny and Company, Inc.	\$145,700 *
Garza Corporation	\$148,362 *

Note: Contractors who apparently met MBE/WBE participation goals are indicated with (*).

The initial engineer's estimated construction cost was \$129,000. The estimated project completion date is July, 1994.

ENVIRONMENTAL DETERMINATION

The Environmental Services Division has determined that this project is categorically exempt.

FINANCIAL CONSIDERATIONS

The estimated total project cost, including all planning, design, construction, and inspection is \$140,000. A budget amount of \$100,000 was approved in the Water Fund (413) Capital Improvement Program. The current unobligated balance for this project as of March 14, 1994 is \$92,811. An additional \$47,200 is required to complete this project.

Funds in this amount are available in the Sacramento River Water Treatment Plant Sludge Handling Project (PN:ZA01) with an unobligated balance of \$206,935. Therefore, it is requested that \$47,200 of the unobligated amount for PN:ZA01 be transferred to the Water Fund Contingency Reserve (413-710-7012-4998) which has an unobligated balance of \$3,000,000. It is requested that \$47,200 be appropriated from the Water Fund Contingency Reserve to the Riverside Water Treatment Plant Electrical Modifications Project

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(413-500-ZE26-4820). These additional funds are necessary because two elements of the project, (vacuum circuit breaker and transformer) are upgrades of existing equipment and will be custom manufactured for this project.

POLICY CONSIDERATIONS

This action is consistent with Chapter 58, Article III, Section 58.301 of the City Code concerning advertisement for bid and Resolution Numbers 93-619 relating to MBE/WBE participation goals and policies adopted by the City Council on November 2, 1993.

MBE/WBE

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 MBE/WBE contractors.

This project included MBE and WBE participation goals of 10.57% and 9.5% respectively, as required by Resolution 93-169 relating to MBE/WBE participation goals and policies, adopted by the City Council on March 30, 1993. Award of this contract is contingent upon the responsive low bidder either meeting the project MBE/WBE participation goals or making adequate Good Faith Efforts to meet the goals. The MBE/WBE participation achieved by the bidders as identified in their bids, is listed in the following table:

Bidder	Bid Amount	MBE		WBE		Good Faith Effort Documentation Submitted
		\$	%	\$	%	
Navajo Pipelines	\$113,346	11,660	10.29	19,240	16.97	Not Required
Clyde G. Steagall Inc.	\$117,608	0	0	0	0	NO
Steiny and Company Inc.	\$145,700	38,900	26.7	106,800	73.3	Not Required
Garza Corporation	\$148,362	39,981	26.9	39,981	26.95	Not Required

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The low bidder, Navajo Pipelines, appears to meet the WBE requirements, but was short 0.28 percent of the 10.57 percent specified in the contract for the MBE requirements. This appears to be to a rounding error. Since the Navajo Pipelines is approximately \$324 from meeting the MBE goals, staff believes this satisfies the good faith effort requirement of the contract. The Offices of Minority, Women, and small business as well as the City Attorney agrees with this conclusion. Staff recommends that the City Council accept the low bid of \$113,346 by Navajo Pipeline and award the contract.

Respectfully Submitted



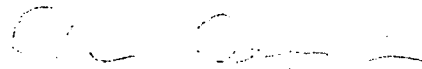
Gary A. Reents
Acting Engineering Services Manager

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 SIGN AND EXECUTE A CONTRACT WITH NAVAJO PIPELINE FOR RIVERSIDE TREATMENT PLANT ELECTRICAL MODIFICATIONS (PN: ZE26) FOR AN AMOUNT NOT TO EXCEED \$113,346.

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

1. Funds of \$47,200 are hereby defunded from the Sacramento River Water Treatment Plant Sludge Handling Project (413-500-ZA01-4820) and transferred to the Water Fund Contingency Reserve (413-710-7012-4998).
2. Funds in the amount of \$47,200 are appropriated from the Water Fund Contingency Reserve (413-710-7012-4998) to the Riverside Water Treatment Plant Electrical Modifications (413-500-ZE26-4820).
3. The City Manager and City Clerk are authorized to sign and execute a contract with Navajo Pipeline for the Riverside Water Treatment Plant Electrical Modifications for an amount not to exceed \$113,346.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____