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DEPARTMENT OF
UTILITIES
ENGINEERING SERVICES

CITY OF SACRAMENTO
CALIFORNIA

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July 27, 1996

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: H/I ALLEY SEWER REPLACEMENT 19TH STREET TO 20TH STREET (PN: XM05): TRANSFER FUNDS AND AWARD CONTRACT TO SIERRA NATIONAL CONSTRUCTION IN AN AMOUNT NOT TO EXCEED \$70,000.

LOCATION AND COUNCIL DISTRICT:

This project is located in the H/I Alley between 19th and 20th Streets (District 4).

RECOMMENDATION:

Staff recommends the City Council approve the attached resolution to transfer appropriations and accept the low bid from Sierra National Construction in an amount not to exceed \$70,000 and award the contract.

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

FOR COUNCIL MEETING OF: August 13, 1996

SUMMARY

Bids were received and opened by the City Clerk on July 17, 1996. Sierra National Construction was the low bidder at \$70,000.

COMMITTEE/COMMISSION ACTION

None.



City Council
July 27, 1996

H/I Alley Sewer Replacement 19th Street to 20th Street (PN: XM05)

BACKGROUND INFORMATION

- The H/I Alley Sewer Replacement 19th Street to 20th Street was initiated because of the deteriorating conditions of the sewer mains. The existing main in the H/I alley is cracked and caving in at several spots. Presently, spot repairs are necessary to keep the main running.
- This project replaces deteriorated combination sewer and storm drainage mains, manholes, services, and drain inlets. The new mains and drain inlets will be larger, and will help alleviate minor flooding.
- The bids received on July 17, 1996 were:

<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT</u>
1. Sierra National Construction	\$70,000
2. Daniel Ontiveros Construction Co. Inc.	\$88,875 *
3. Navajo Pipelines Inc.	\$113,727 *

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

- Sierra National Construction's bid was eligible for a price preference of 2% for meeting the goals for MBE participation. Daniel Ontiveros Construction Co. Inc.'s bid was eligible for a price preference of 7% for being a City-certified and preference-eligible MBE and meeting the WBE goals. Navajo Pipelines Inc.'s bid was eligible for a price preference of 7% for being a City-certified and preference-eligible WBE and meeting the MBE goals. Applying the price preferences, Sierra National Construction remains the low bidder.
- The initial engineer's estimated construction cost was \$133,870. The estimated project completion date is November 29, 1996.

ENVIRONMENTAL DETERMINATION

The Planning Services Division has determined that this project is categorically exempt pursuant to Section Number 15302(c) of the California Environmental Quality Act. The proposed project consists of replacement of existing structures and facilities and will have substantially the same purpose as the structure replaced.

City Council
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H/I Alley Sewer Replacement 19th Street to 20th Street (PN: XM05)

FINANCIAL CONSIDERATIONS

The revised total estimated project cost, including all project administration, design, construction, inspection, and related costs is \$115,689. The estimated cost to finish the project is \$95,156. The cost of this contract is \$70,000. The H/I Alley Sewer Replacement 19th Street to 20th Street currently has an unobligated balance of \$58,711 as of July 17, 1996. Staff recommends that \$60,000 be transferred from the Combined Sewer System Reserve to the H/I Alley Sewer Replacement 19th Street to 20th Street 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. \$45,000 will be transferred from 425-500-XD42-4820 and \$15,000 will be transferred from 414-500-XD42-4820, which have unobligated balances of \$8,550,632 and \$1,366,936, respectively, as of August 1, 1996.

POLICY CONSIDERATIONS

This action is consistent with Chapter 58, Article III, Section 58.03.304 of the City Code, which provides that the City Council may award competitively bid contracts to the lowest responsible bidder.

MBE/WBE

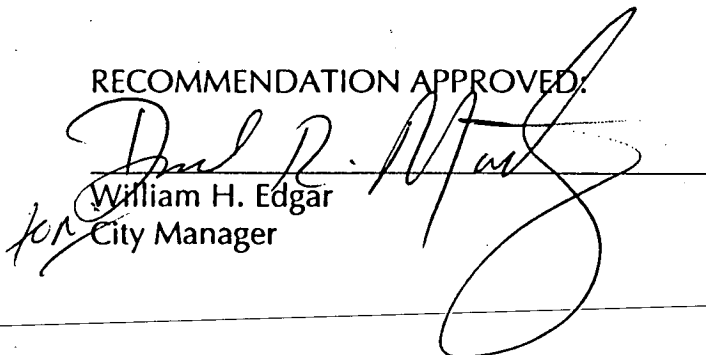
Daniel Ontiveros Construction Co. Inc. and Navajo Pipelines Inc. received a 7% price preference for meeting all MBE/WBE participation goals, and Sierra National Construction received a 2% price preference for meeting MBE participation goals. Sierra National Construction remained the low bidder. Sierra National Construction will be using one MBE amounting to \$8,000 (11.30%) of the contract, and no WBE subcontractors. Staff has confirmed the one minority owned business enterprise Sierra National Construction listed with their bid as City certified. Sierra National Construction met the City's MBE/WBE Good Faith Effort requirement.

Respectfully submitted,



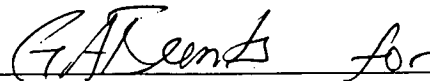
Gary A. Reents
Engineering Services Manager

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 APPROVING THE TRANSFER OF FUNDS AND AUTHORIZING THE CITY MANAGER AND CITY CLERK TO AND EXECUTE A CONTRACT WITH SIERRA NATIONAL CONSTRUCTION FOR THE H/I ALLEY SEWER REPLACEMENT 19TH STREET TO 20TH STREET (PN: XM05) IN THE AMOUNT OF \$70,000.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. The City Council hereby approves the transfer of funds as follows:

From:

Combined Sewer System Reserve	414-500-XD42-4820	(\$15,000)
Combined Sewer System Reserve	425-500-XD42-4820	(\$45,000)

To:

H/I Alley Sewer Replacement	414-500-XM05-4820	\$15,000
H/I Alley Sewer Replacement	425-500-XM05-4820	\$45,000

2. The City Manager and City Clerk are authorized to sign and execute a contract with Sierra National Construction for the H/I Alley Sewer Replacement 19th Street to 20th Street (PN: XM05) in an amount not to exceed \$70,000.

MAYOR

ATTEST:

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

COMBINED SEWER SYS RESERVE

Project Description

Reserve to accumulate resources for the combined sewer system rehabilitation.

Project #:	XD42
FY Initiated:	94/95
Location	City Wide
Council District:	Various
Neighborhood Area:	Various
Planning Area:	N / A

Project Objectives

To accumulate funding from current resources in excess of operations and capital improvement requirements in order to minimize future rate increases for the combined sewer system rehabilitation.

Existing Situation

The City faces substantial outlays in future years for capital improvement construction on the combined sewer system. Appropriations for that construction are now being accumulated in this project.

Operating Budget Impact

None

Fund Source	Budget through 6/96	Unspent 6/96	Five Year Funding				
Sewer	1,747,423	1,747,423	-380,487	0	0	0	0
Drainage	9,708,591	9,708,591	-1,157,959	0	0	0	0
TOTAL	11,456,014	11,456,014	-1,538,446	0	0	0	0

