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DEPARTMENT OF  
UTILITIES  
ENGINEERING SERVICES

CITY OF SACRAMENTO  
CALIFORNIA

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August 2, 1995

City Council  
Sacramento, California

Honorable Members In Session:

**SUBJECT: RALEY BOULEVARD SEWER EXTENSION (PN: XF26) - REJECT ALL BIDS**

**LOCATION AND COUNCIL DISTRICT**

This project is within Raley Boulevard, MacArthur Street, and Calhoun Court, north of Interstate Highway 80 and south of Bell Avenue (District 2).

**RECOMMENDATION**

Staff recommends that City Council reject all bids.

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

**FOR COUNCIL MEETING OF: August 15, 1995**

**SUMMARY**

Bids were received from two contractors and opened by the City Clerk on July 19, 1995. Copenhagen Utilities and Construction, Inc. was the low bidder at \$223,963, but did not meet MBE/WBE requirements. The second low bidder, Delta Excavating, met the MBE/WBE requirements, but submitted an unacceptably high bid.

**COMMITTEE/COMMISSION ACTION**

None.



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### **BACKGROUND INFORMATION**

The construction of this project makes it possible to decommission Sewer Pump Station No. 106. Due to the constant maintenance and operation expenses of the pump station, this project will save utility dollars within a few years after construction. The new system will be more reliable, easier to maintain, and eliminate operating costs.

The bids received on July 19, 1995, were:

- |    |                                             |           |
|----|---------------------------------------------|-----------|
| 1. | Copenhagen Utilities and Construction, Inc. | \$223,963 |
| 2. | Delta Excavating, Inc.                      | \$324,820 |

Note: There were no MBE/WBE contractors.

The engineer's estimated construction cost was \$150,000. The estimated project completion date is December 1, 1995.

### **ENVIRONMENTAL DETERMINATION**

The Environmental Services Division has determined that this is not a project under CEQA Section 21080.21 in that CEQA does not apply to pipelines in a public street under one mile in length.

### **FINANCIAL CONSIDERATION**

Based on the low bid, the revised estimated total project cost, including all planning, design and construction costs, is \$320,000. The unobligated balance for the Raley Boulevard Sewer Extension project (414-500-XF26-4820) as of July 31, 1995, is \$210,789. However, since staff recommends rejecting all bids, no changes to the funding are being requested.

### **POLICY CONSIDERATION**

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 and 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 MBE/WBE participation achieved by all bidders as identified in their bids is listed in the following table:

Bidder	Bid Amount	MBE		WBE		Good Faith Effort Documented
		\$	%	\$	%	
Copenhagen Utilities and Construction, Inc.	\$223,963	24,060	10.74	10,231	4.57	Documented, but not complete
Delta Excavating	\$324,820	77,000	23.71	37,440	11.53	No; Met Goals

The low bidder, Copenhagen Utilities, did not meet the MBE/WBE goals or submit a complete good faith effort. The second low bidder met the goals but submitted an unacceptably high bid.

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.

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- 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.

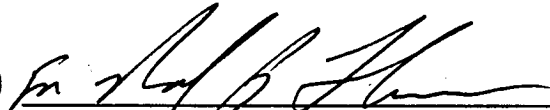
Respectfully Submitted:



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Gary A. Reents  
Engineering Services Manager

RECOMMENDATION APPROVED:



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William H. Edgar  
City Manager

APPROVED:

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James G. Sequeira  
Director of Utilities

