



# CITY OF SACRAMENTO

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CITY MANAGER'S OFFICE  
**RECEIVED**  
MAR 4 1981

DEPARTMENT OF ENGINEERING  
915 I STREET SACRAMENTO, CALIFORNIA 95814  
CITY HALL ROOM 207 TELEPHONE (916) 449-5281

F/Ref,  
C.C. 1898

R. H. PARKER  
CITY ENGINEER  
J. F. VAROZZA  
ASSISTANT CITY ENGINEER

March 3, 1981

City Council  
Sacramento, California

Honorable Members in Session;

**SUBJECT:** Appropriation of Additional Funds and Recommendation of Bid Award for Freeport Manor Drainage Project

SUMMARY:

This report recommends that the low bidder on the subject project, W. M. Lyles Co., be allowed to withdraw their bid without forfeiture of the bid bond and that the City Council award the contract to the second low bidder, Western Pipeline. It is also recommended that additional funds be allocated to this project.

BACKGROUND:

On February 3, 1981 the City Council approved plans and specifications for Freeport Manor Drainage and bids were received and opened by the City Clerk in the Council Chambers on February 24, 1981. The bids received are as follows:

W. M. Lyles Co.	\$281,258.00
Western Pipeline	354,635.00
Mike Maletic Construction	360,887.00
Kip Incorporated	365,968.00
Granite Construction Co.	373,488.00
Teichert Construction	373,929.00
Huffman Construction	408,788.97
C.F.B. Construction	420,224.00
Cal Sierra Construction	458,205.00
C.V. O'Neill, Inc.	466,355.00
Forest Land Grading and Paving	479,780.00
W. R. Thomason, Inc.	481,625.00
Spartan Construction Corp.	519,030.00

City staff received the attached letter from the attorneys for W. M. Lyles Co. on February 27, 1981. This letter points out that W. M. Lyles Co. found a major error in their calculations for the bid and they requested to be released from their bid without forfeiture of their bid bond.

**APPROVED**  
BY THE CITY COUNCIL

MAR 10 1981 CO-80054

OFFICE OF THE  
CITY CLERK

The City Attorney's office has reviewed the matter with the City Engineering staff and their memo to the Assistant City Engineer, dated March 2, 1981, states that it appears reasonable and competent for the City to permit relief under Section 4201 of the Government Code and to allow W. M. Lyles Co. to withdraw its bid without forfeiture of the bid bond.

FINANCIAL:

In F.Y. 1977/78 Council approved the appropriation of \$275,000 of Drainage Bond funds for this project. At the time plans and specifications were approved, the estimate for the project was \$546,000; however, staff recommended that additional funding be considered after receipt of bids. It is now recommended that additional funds in the amount of \$150,000 be appropriated to this project. There are sufficient funds in the unappropriated Sewer Fund to permit this appropriation.

RECOMMENDATION:

It is recommended that the City Council:

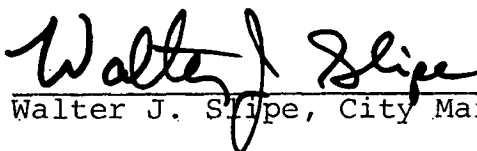
1. Allow the W. M. Lyles Co. to withdraw their bid for the subject project without forfeiture of the bid bond,
2. Appropriate \$150,000 from the unappropriated Sewer Fund to the project, by passage of the attached resolution.
3. Award the contract to Western Pipeline in the amount of \$354,635.

Respectfully submitted,



R. H. PARKER  
City Engineer

Recommendation Approved:



Walter J. Slipe, City Manager

March 10, 1981  
District No. 7 and 8

FORREST A. PLANT  
JOHN V. DIEPENBROCK  
JOHN J. HANNEGAN  
R. JAMES DIEPENBROCK  
ROBERT R. WULFF  
CYRUS A. JOHNSON  
JOHN S. GILMORE  
THOMAS A. CRAVEN  
PETER M. DOYLE  
DAVID A. RIEGELS  
DENNIS M. CAMPOS  
JAMES T. FREEMAN  
JACK V. LOVELL  
DENNIS R. MURPHY  
JOHN E. FISCHER  
WILLIAM W. SUMNER  
CHARITY KENYON  
CHRISTOPHER C. TAYLOR  
GREGORY J. HUGHES  
KAREN O. AHERN  
BRIAN T. REGAN  
PAMELA A. UNDERWOOD  
DONALD P. ASPERGER

LAW OFFICES

**DIEPENBROCK, WULFF, PLANT & HANNEGAN**

455 CAPITOL MALL

SACRAMENTO, CALIFORNIA 95814

(916) 444-3810

February 27, 1981

OUR FILE NO. 7148/6j

HAND DELIVERED

SUBJECT: Freeport Manor Drainage Project C. C. 1898 -  
Bid of W. M. Lyles Co.

City of Sacramento  
Department of Engineering  
915 "I" Street, Room 207  
Sacramento, CA 95814

Dear Sirs:

We are the attorneys for W. M. Lyles Co. and pursuant to their telephone advice to your office, they have found a major error in their calculations for the bid submitted to you on the above drainage project on February 24, 1981. The error is as follows:

In Item 2, "54" Drain Pipe - 2950 L.F., W.M. Lyles Co. failed to include the cost of the concrete for the casting of this pipe. This cost would have added \$19.20 per foot to their bid for this item. That is, the item should have been bid at \$59.86 per linear foot instead of the \$40.66 stated in the bid.

This was solely an error in their calculations in filling out the bid and this error resulted in a bid materially different than they intended. Therefore, we respectfully

City of Sacramento  
Department of Engineering  
Page Two  
February 27, 1981

request that the W. M. Lyles Co. be permitted to rescind their  
bid and that their bid bond be released.

Very truly yours,

DIEPENBROCK, WULFF, PLANT  
& HANNEGAN

By  
Robert R. Wulff

cc: W. M. Lyles Co.  
ATTN: William Powers

# RESOLUTION No. 81-167

Adopted by The Sacramento City Council on date of

March 10, 1981

A RESOLUTION AMENDING THE CITY BUDGET FOR  
F.Y. 1980/81 FOR THE FREEPORT MANOR DRAINAGE  
PROJECT

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

1. Bids have been received for the Freeport Manor Drainage project and the appropriation of \$150,000 is necessary to award the contract.
2. The City Budget for Fiscal Year 1980/81 is hereby amended by appropriating \$150,000 from the unappropriated Sewer Fund balance (4-14) to the City Engineer's Budget (4-14-2600-1898-4820) for the purpose stated in Paragraph 1 above.

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MAYOR

ATTEST:

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CITY CLERK

**APPROVED**  
BY THE CITY COUNCIL

MAR 10 1981

OFFICE OF THE  
CITY CLERK