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CONTINUED
FROM August 3, 2000
TO August 8, 2000

DEPARTMENT OF
PUBLIC WORKS

TECHNICAL SERVICES
DIVISION

CITY OF SACRAMENTO
CALIFORNIA

927 10TH STREET
SACRAMENTO, CA
95814-2702

PH 916-264-8300
FAX 916-264-8281

AG 2000-109
Co 2000-126

July 12, 2000

APPROVED

AUG 08 2000

OFFICE OF THE
CITY CLERK

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: APPROVAL OF INDIVIDUAL PROJECT AGREEMENT, ESTABLISHMENT OF DEL PASO NUEVO PROJECT (JN:5814; PN:TW91), APPROPRIATION OF FUNDS FROM SHRA IN THE AMOUNT OF \$5,380,000, REALLOCATION OF FUNDS, AND AWARD OF FAST TRACK CONSTRUCTION CONTRACT TO GRANITE CONSTRUCTION FOR THE DEL PASO NUEVO PROJECT IN THE NOT TO EXCEED AMOUNT OF \$5,897,744

LOCATION AND COUNCIL DISTRICT:

Area bounded by Norwood Avenue, Taylor Street, Hayes Avenue and Arcade Creek. Council District #2.

RECOMMENDATION:

This report recommends that the City Council adopt the attached resolution to:

- Approve the Individual Project Agreement with Sacramento Housing and Redevelopment Agency (SHRA);
- Establish the Del Paso Nuevo Project (JN:5814; PN:TW91);
- Approve a fund appropriation from SHRA in the amount of \$5,380,000 to the Del Paso Nuevo Project for electrical design, design review, project bidding, construction, and construction engineering;
- Reject the Del Paso Nuevo Project proposals submitted on April 19, 2000;
- Reallocate fund appropriations from related CIP projects to the Del Paso Nuevo Project; and

City Council
Del Paso Nuevo Project (JN:5814; PN:TW91)
Construction Contract to Granite Construction
June 12, 2000

- Award the Del Paso Nuevo Fast Track Construction Contract to Granite Construction for the Guaranteed Maximum Price (GMP) in the not to exceed amount of \$5,897,744.

CONTACT PERSON: Cecilyn Foote, Project Manager, 264-6843

FOR COUNCIL MEETING OF: August 8, 2000

SUMMARY:

SHRA has prepared an Individual Project Agreement (IPA) for the City to perform engineering, project bidding, construction and construction engineering to construct the Del Paso Nuevo Project.

Granite Construction, along with three other contractors, responded to the Request For Proposals (RFP) for the Del Paso Nuevo Project. After review of the proposals and contractor interviews, a selection committee consisting of SHRA and City staff ranked the contractors as follows:

Granite Construction
Biondi Paving
Azteca Construction
Yubacon, Inc.

Staff has completed the negotiations with Granite Construction. The total negotiated Fast Track Construction Contract is in the not to exceed amount of \$5,897,744.

COMMITTEE/COMMISSION ACTION:

None

BACKGROUND INFORMATION:

In June 1997, the Del Paso Heights community, through the Redevelopment Agency and the City, received an award of \$10.5 million in federal grants and loans for the development of a new homeownership community – Del Paso Nuevo. The City was one of six cities nationwide to receive an Economic Development Initiative grant to revitalize this section of North Sacramento. The funds will be used to construct major infrastructure improvements and finance the acquisition and development of land for new homes.

Phase 1 of the Del Paso Nuevo project was the realignment of Ford Road near Norwood Avenue. Ford Road, which was landscaped as part of Phase 1, will be a gateway into the revitalized Del Paso Nuevo area. Phase 1 was completed in the summer of 1999.

This second phase of the project will construct the following improvements:

- Two new detention basins/parks
- Major street reconstruction on portions of Hayes Avenue and Ford Road

City Council
Del Paso Nuevo Project (JN:5814; PN:TW91)
Construction Contract to Granite Construction
June 12, 2000

- Sewer trunk line on Carroll Road
- Construction of new north-south street between Norwood Avenue and Taylor Road and extension of Silver Eagle Road to this new street
- 30 lot subdivision (ready for builders) near Ford Road and Norwood Avenue

On November 18, 1999, City Council approved Resolution 99-709 suspending competitive bidding for construction of the Del Paso Nuevo Project and authorizing the City Manager to solicit proposals for a fast track construction contract.

The Negative Declaration for this project was approved by City Council on May 2, 2000 and filed with the County Clerk of the County of Sacramento. A Mitigation Reporting Program was prepared to ensure compliance with the mitigation measures.

An IPA between the City and SHRA has been prepared describing the responsibilities of both agencies regarding project delivery, funding and contract administration.

FINANCIAL CONSIDERATIONS:

The estimated construction cost for the Del Paso Nuevo Project was \$5,000,000. Project funding for design and construction in the total amount of \$6,100,000 will be provided from the following fund sources:

<u>Fund Source</u>	<u>Amount</u>
SHRA grant funds from US Department of Housing & Urban Development (HUD)	\$5,380,000
PN:WH46-Basin 158-Del Paso Nuevo	\$400,000
PN:TU35-Extension of Silver Eagle in Del Paso Nuevo	\$320,000
Total:	\$6,100,000

ENVIRONMENTAL CONSIDERATIONS:

In accordance with the State Guidelines for implementation of the California Environmental Quality Act (CEQA) of 1970, the Planning Services Division, Environmental Section, has reviewed the proposed Project. This review has resulted in the determination that the proposed project will not have a significant adverse impact on the environment and a Negative Declaration was prepared.

A Notice of Availability for public review and comment on the Negative Declaration was published in a local paper and notices were posted in the vicinity of the site. The 30-day comment period has elapsed and one comment was received from the Sacramento Metropolitan Air Quality Management District. Although not technically required to reduce impacts to less-than-significant levels since this is a tiered environmental review, and no new impact was identified in the comment letter that required mitigation, the City has a commitment to minimize impacts. A measure has been added to further reduce cumulative emissions in the air basin. Therefore, this new mitigation measure does not necessitate re-circulation of the environmental document. Mitigation measures incorporated into the project design will reduce any potentially significant environmental effects to less-than-significant levels.

City Council
Del Paso Nuevo Project (JN:5814; PN:TW91)
Construction Contract to Granite Construction
June 12, 2000

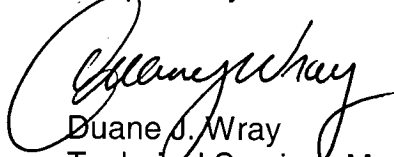
POLICY CONSIDERATIONS:

Award of the contract to Granite Construction for the Del Paso Nuevo Project is consistent with Sacramento City Code, Title 58.

ESBD CONSIDERATIONS:

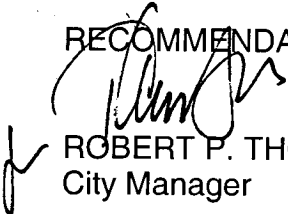
This project is funded in part by SHRA and requires that the Contractor meet the Community Development Block Grant (CDBG) and local participation goals. Granite Construction has committed to meeting or exceeding the required participation goals. ESBD considerations do not apply to this project.

Respectfully submitted,



Duane J. Wray
Technical Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

APPROVED:



Michael Kashiwagi
Director of Public Works

P/Active/TW91 Del Paso Nuevo Project/Council/Contract Granite Construction

APPROVED

AUG 08 2000

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2000-469

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**RESOLUTION APPROVING THE INDIVIDUAL PROJECT AGREEMENT (IPA),
ESTABLISHMENT OF CAPITAL IMPROVEMENT PROJECT, AND APPROPRIATION OF
SHRA FUNDS IN THE TOTAL AMOUNT OF \$5,380,000 (JN:5814; PN:TW91), AND
REALLOCATION OF FUND APPROPRIATIONS**

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

1. The City Manager is hereby authorized to enter into an IPA with the Sacramento Housing and Redevelopment Agency (SHRA) for the Del Paso Nuevo Project.
2. A Capital Improvement Project is established for the Del Paso Nuevo Project (JN:5814; PN:TW91) with a total budget of \$6,100,000.
3. Revenue from SHRA in the amount of \$5,380,000 be received and appropriated to the Del Paso Nuevo project:

<u>Revenue</u>	<u>Expenditure</u>	<u>Amount</u>
206-500-TW91-3530	206-500-TW91-4820	\$5,380,000

4. The Del Paso Nuevo Project proposals submitted on April 19, 2000 are hereby rejected.
5. Fund appropriations from related projects be reallocated to the Del Paso Nuevo Project as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
202-500-TU35-4820	202-500-TW91-4820	\$280,000
201-500-TU35-4820	201-500-TW91-4820	\$ 40,000
425-500-WH46-4820	425-500-TW91-4820	\$400,000
	Total:	\$720,000

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

6. The City Manager is hereby authorized to award a Fast Track Construction Contract for the Del Paso Nuevo Project to Granite Construction for the Guaranteed Maximum Price (GMP) in the not to exceed amount of \$5,897,744.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____



DEPARTMENT OF
PUBLIC WORKS

TECHNICAL SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

927 - 10TH STREET
SUITE 100
SACRAMENTO, CA
95814-2702

PH 916-264-8300
FAX 916-264-8281

June 14, 2000

Randall M. Smith
Stanton, Kay & Watson, LLP
101 New Montgomery Street, Fifth Floor
San Francisco, CA 94105

Re: Del Paso Nuevo Project - Bid Protest

Dear Mr. Smith:

You filed a bid protest dated May 12, 2000, on behalf of Azteca Construction, Inc., one of the contractors who submitted a proposal in response to the Request for Proposal (RFP) issued by the City for the above project. On June 5, 2000, the City notified all proposers that it was rejecting all proposals and canceling the RFP. A new RFP has been issued, with proposals due on June 23, 2000. As the previous RFP process has been terminated, no response to your protest is necessary. We will ask the City Clerk to return your bid protest fee, if any.

Please feel free to contact me if you have any questions.

Sincerely,

Ken Grehm
Supervising Engineer

cc: Valerie Burrowes, City Clerk ✓
Joe Robinson, Deputy City Attorney

JUN 15 2 36 PM '00

RECEIVED
CITY OF SACRAMENTO
CITY OF SACRAMENTO

WPW06\VOL1\SHARED\TS Wrk Grp Docs\Eng Svcs\Admin\Del Paso Nuevo Bid Protest Response.doc

PUBLICWORKS

"Serving the community with quality!"



DEPARTMENT OF
PUBLIC WORKS

TECHNICAL SERVICES DIVISION
ENGINEERING DESIGN

CITY OF SACRAMENTO
CALIFORNIA

927 10TH STREET
ROOM 300
SACRAMENTO, CA
95814-2702

PH 916-264-7531
FAX 916-264-7903

June 16, 2000

Randall M. Smith
Stanton, Kay & Watson, LLP
101 New Montgomery Street, Fifth Floor
San Francisco, CA 94105

Re: Del Paso Nuevo Project - Bid Protest

Dear Mr. Smith:

Enclosed is your client's check for the Protest Filing Fee associated with the Del Paso Nuevo project. Since the proposal process was terminated, no hearing will be conducted and we are returning you check

Please feel free to contact me at 264-7531 if you have any questions.

Sincerely,

Ken Grehm
Supervising Engineer

cc: Valerie Burrowes, City Clerk ✓
Joe Robinson, Deputy City Attorney

RECEIVED
CITY CLERK'S OFFICE
CITY OF SACRAMENTO
JUN 19 3 12 PM '00

AZTECA CONSTRUCTION, INC.

36836

DATE	INVOICE NO.	DESCRIPTION	INVOICE AMOUNT	DEDUCTION	BALANCE		
5-12-00	51200	PROTEST FILING FEE	250.00	.00	250.00		
CHECK DATE	5-12-00	CHECK NUMBER	36836	TOTALS	250.00	.00	250.00



AZTECA CONSTRUCTION, INC.

3871 SECURITY PARK DRIVE
RANCHO CORDOVA, CA 95742
(916) 351-0202



1750 Howe Avenue, Suite 100
Sacramento, CA 95825

90-4277/1211

36836

Pay: *****Two hundred fifty dollars and no cents

DATE
May 12, 2000

CHECK NO. 36836 AMOUNT *****250.00

TO THE
ORDER
OF

CITY CLERK
CITY OF SACRAMENTO
915 I STREET, ROOM 104
SACRAMENTO, CA 95814

VOID AFTER 60 DAYS

Harold Smith

⑈036836⑈ ⑆121142779⑆

0100001080⑈