



1.13

APPROVED
BY THE CITY COUNCIL

JUN 20 1995

DEPARTMENT OF
FINANCE

PROCUREMENT SERVICES DIVISION

City Council
Sacramento, California

CITY OF SACRAMENTO
CALIFORNIA

June 20, 1995

PS:Admin:95049:RBH:KAP:bd

OFFICE OF THE
CITY

5730 - 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

PH 916-433-6240
FAX 916-399-0263

Honorable Members in Session:

**SUBJECT: REJECTION OF BIDS, SUSPENSION OF FORMAL COMPETITIVE BIDDING,
AND AUTHORIZATION TO CONTRACT FOR THE FABRICATION AND
INSTALLATION OF RE-UPHOLSTERED THEATER SEATING**

LOCATION/COUNCIL DISTRICT:

City-wide - All districts.

STAFF RECOMMENDATION:

It is recommended that, in the best interest of the City, the Council reject all bids received under Bid No. 1671, suspend formal competitive bidding for the fabrication and installation of re-upholstered theater seating, and authorize the City Manager to execute the purchase from Sierra School Equipment Co., 1911 Mineral Court, Bakersfield, CA 93308-6812, in the amount of \$154,136.57, including sales tax.

CONTACT PERSON: Karen Parrottino, Buyer II, 433-6240

FOR COUNCIL MEETING OF: June 20, 1995

SUMMARY

This report recommends that the Council reject all bids resulting from formal competitive Bid No. 1671, suspend formal competitive bidding, and authorize the City Manager to execute the purchase of fabrication and installation of re-upholstered theater seating for the Community Center Theater from Sierra School Equipment Co. in a total amount of \$154,136.57. Approval of two-thirds of all Council members is required.

BACKGROUND

The Community/Convention Center has a requirement for the fabrication and installation of re-upholstered theater seating for the existing Community Center Theater. The fabrication and installation of the replacement upholstered theater seating will be supervised by the Community/Convention Center Staff. The work to be performed will include the replacement of upholstered seats and backs of the existing theater

chairs as well as cleaning, touch-up, replacement and refurbishment of existing chair components including, but not limited to damaged or inconsistent seat pans, uplift mechanisms, wooden armrests and aisle and seat number labels.

Specifications for Bid No. 1671 were publicly advertised and mailed by the City Clerk. Initial advertising and mailing to vendors, bid advertising firms and minority outreach agencies began on April 26, 1995. Sealed bids were publicly opened by the Clerk on May 24, 1995.

The City received three responses to Bid No. 1671, of which the response from Sierra School Equipment Co. offered the lowest bid. Due to scheduled events to be held in the Community Center Theater, all bidders were advised in the bid document that the only available time for completion of this project would be during the period of July 10, 1995 through August 9, 1995 when the facility would be unoccupied. The low bidder, Sierra School Equipment Co. took exception to this performance period because the seating fabric has a six week lead-time for delivery. As a result, they cannot complete the project by August 9, 1995. After advising the Convention Center Staff of these bid results, they identified some additional time frames during which work could be performed, extending the contract performance period through September 29, 1995. During this time period, the vendor will work around previously scheduled events, resulting in a three phase project for completion of the seat renovation work. Between each phase, the vendor will be responsible for cleaning the facility and leaving it ready for the performances that are scheduled. As a result of this revised schedule, Sierra School Equipment Co. has advised that if they are awarded the contract the following additional charges will be incurred in addition to the pricing identified in their original bid:

1.	Storage bin to store materials shipped to job site and between phases.	\$ 700.00
2.	Additional dumpster for second phase of upholstery.	400.00
3.	Premium to expedite fabric and foam - 2,000 yards @ \$0.75 per yard.	1,500.00
4.	Additional Performance Bond costs.	384.00
5.	Additional trips to Sacramento for personnel and equipment due to interrupted job schedule.	5,200.00
6.	Additional labor costs.	17,416.00
	- Four hours of overtime per day per person, based on a seven (7) day work week.	
	- Premium pay for August 13 (Sunday), August 19 (Saturday) and September 16 (Saturday).	
	- Clean-up of workspace and leave theater in performance-ready condition, two additional times August 19 (for August 20 through September 9 performances) and September 16 (for the September 17th performance). This process involves complete tear down, removal and set-up of all equipment used during the renovation.	
	TOTAL	\$25,600.00

These additional expenses will increase the amount originally bid (\$128,536.57) by \$25,600.00, resulting in a new total amount of \$154,136.57.

Since this adjusted total represents the lowest ultimate cost to the City, is still significantly lower than the next lowest bid received under Bid No. 1671 (See Attachment #1), and because time is of the essence, staff recommends that the Council reject all bids resulting from formal competitive Bid No. 1671, suspend formal competitive bidding, and authorize the City Manager to execute the purchase from Sierra School Equipment Co. in the total amount of \$154,136.57.

FINANCIAL CONSIDERATIONS

Sufficient funds for this purchase are available in the Community Center's CIP budget 419-500-PA91-4820, together with the proposed augmentation of \$40,000.00 in the 1995-96 CIP budget.

ENVIRONMENTAL CONSIDERATIONS

Ongoing administrative and maintenance activities, such as purchase of supplies, equipment or materials which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

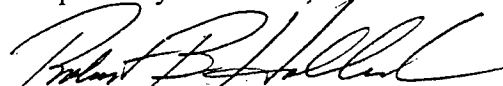
POLICY CONSIDERATIONS

The recommendations contained in this report are consistent with the requirements of City Code Section 57.03.305 which authorizes the City Council to reject any and all bids, and Section 57.04.401(c) which authorizes the City Council to suspend formal competitive bidding upon a two-thirds vote.

MBE/WBE EFFORTS

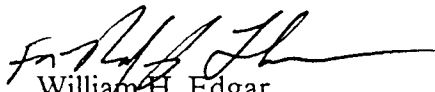
Requests for bid (RFB) were sent to ten vendors, four of which were identified as M/WBE firms. The names of the prospective bidders were obtained from the City bid list and by researching the EBMUD Minority and Women Business Enterprise 1992-93 Directory, City of Oakland MBE/WBE Directory, and the State of California - Winter 1995 Disadvantaged Business (DB) and Women Business Enterprise (WBE) List. In addition, the RFB was sent to several bid advertising agencies, including the Small Business Exchange and the Sacramento Minority Business Development Center (NEDA). This bid included provisions for a five percent (5%) bid evaluation preference for City-certified, preference-eligible M/WBE firms. Of the three (3) bids received, none was from a certified Woman/Minority-Owned Business Enterprise.

Respectfully submitted,



Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:



William H. Edgar
City Manager

Attachment

**BID TABULATION SHEET FOR
BID NO. 1671 - FABRICATION AND INSTALLATION OF
 REPLACEMENT THEATRE SEATING**

<u>Bidders</u>	<u>Total Less Sales Tax</u>	<u>M/WBE Preference</u>	<u>Prompt Payment Discount</u>	<u>City Tax Preference</u>	<u>Non-Taxable Labor Charges</u>	<u>Bid Evaluation Total Including Sales Tax</u>
Sierra School Equipment Co.	\$ 76,859.00	None	None	None	\$ 45,274.00	\$128,536.57 ⁽¹⁾
Jacquelyn's Upholstery & Interiors	\$ 50,000.00	None	2% 20 Days <4700.00>	None	\$185,000.00	\$234,175.00
Holsinger	\$150,000.00	None	1% 20 Days <2005.74>	None	\$ 50,573.82	\$210,617.48 ⁽²⁾

⁽¹⁾ Total includes 15 replacement seat pans @ \$447.00 total

⁽²⁾ Total includes \$424.40 cost for obtaining performance bond

Total Award of Contract To: Sierra School Equipment Co.
 1911 Mineral Court
 Bakersfield, CA 93308-6812

Original Estimated Cost: \$122,000.00

Using Department: Community/Convention Center

Total Bid Amount: \$128,536.57

Due Date: May 24, 1995

Total Amount of Contract: \$154,136.57

<u>Total No. of Bids Solicited</u>	<u>No. of M/WBE Bids Solicited</u>	<u>No. of M/WBE Responses</u>	<u>Award to M/WBE Vendor?</u>
10	4	3	No

(F)