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APPROVED
BY THE CITY COUNCIL

SEP 22 1998

DEPARTMENT OF
UTILITIES

ENGINEERING SERVICES

CITY OF SACRAMENTO
CALIFORNIA

OFFICE OF THE
CITY CLERK

C098-152

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SACRAMENTO, CA
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September 1, 1998

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: UCD MEDICAL CENTER REGIONAL STORAGE PROJECT (PN:XM44):
TRANSFER OF \$2,360,000 FROM THE COMBINED SEWER SYSTEM RESERVE
(PN:XD42) TO THE UCD MEDICAL CENTER REGIONAL STORAGE PROJECT
(PN:XM44) REJECT ALL BIDS, SUSPEND COMPETITIVE BIDDING AND
AUTHORIZE THE CITY MANAGER AND CITY CLERK TO EXECUTE A
CONSTRUCTION CONTRACT WITH TO SIERRA NATIONAL CONSTRUCTION,
INC., FOR AN AMOUNT NOT TO EXCEED \$4,895,000.**

LOCATION AND COUNCIL DISTRICT:

The project is located at the southeast corner of the intersection of 49th Street and V Street in Council District 5. (Location map attached)

RECOMMENDATION:

Staff recommends that the City Council reject all bids, suspend competitive bidding, and authorize the City Manager and City Clerk to execute a construction contract with Sierra National Construction, Inc., for an amount not to exceed \$4,895,000.

CONTACT PERSON: Gary A. Reents, Engineering Services Manager, 264-1433
Rick Batha, Senior Engineer, 264-1448

FOR COUNCIL MEETING OF: September 15, 1998

CONTINUED
FROM 09-15-98
TO 09-22-98

City Council
August 26, 1998
UCD Med Center Storage Project

SUMMARY:

The UCD Medical Center Regional Storage Facility will be an important component of both the Combined Sewer System and the Basin 101 storm drain system and will reduce flooding in the neighborhood around the Medical Center. Bids for construction of the project and installation of the box culverts were received and opened by the City Clerk on September 1, 1998. Sierra National Construction, Inc., was the apparent low bidder at \$4,895,000. Sierra National Construction, Inc., bid contained minor oversight regarding one of its minority sub-contractors. Due to its minor nature, staff recommends that a contract still be executed with Sierra National Construction, Inc.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION

- In June 1990, the Regional Water Quality Control Board (RWQCB) issued a Cease and Desist Order requiring the City to eliminate outflows from the Combined Sewer System.
- In July 1995, the City Council authorized the Department of Utilities to submit the Combined Sewer System Improvement Plan to the RWQCB.
- In March 1996, the RWQCB approved the City's Combined Sewer System Improvement Plan and rescinded the Cease and Desist Order. Portions of the plan have been implemented including the Sump 1/1A and Pioneer Reservoir Rehabilitation and Improvement Project, which has been completed, and the Sump 2 Improvement Project, which is currently under construction.
- The Improvement Plan also identified other key projects that will detain and store excess storm drainage underground instead of allowing it to contribute to flooding of streets and properties. A key detention and storage project is the UCD Medical Center Regional Storage Facility. This project will substantially decrease flooding in the vicinity of the Medical Center and will prevent flow from backing up into the 42nd Street neighborhood.
- The UCD Medical Center Regional Storage Facility will consist of two horizontal levels of pre-cast concrete box culverts and a drainage pump station. The lower level will provide 320,000 cubic feet of storage for wastewater in the Combined Sewer System. The upper level will provide 85,000 cubic feet of storage for storm runoff from Basin 101.

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- The project will include storage required to mitigate the future build-out of Medical Center's Master Plan; a cost sharing agreement with the UCD Medical Center has been negotiated.

Bids were received from five (5) contractors as follows:

• Sierra National Construction, Inc.	\$4,895,000
• Allen Bender, Inc.	\$5,113,768
• Kiewitt Pacific Co.	\$5,428,158
• Tim Logan Construction Co.	\$5,871,616
• Ranger Pipelines, Inc.	\$6,307,000

Sierra National Construction, Inc., appeared to have met both the MBE/WBE goals and therefore did not document a Good Faith Effort. However, one of the minority sub-contractors listed by Sierra National Construction, Inc., Intech Mechanical, is no longer certified with the City. Intech Mechanical did not inform Sierra National Construction, Inc., of this fact. Based on these circumstances, the fact that Sierra National Construction, Inc., has submitted the lowest bid, and in the best interest of the City, staff recommends that the City Council reject all bids, suspend competitive bidding and direct the City Manager and City Clerk to execute a contract with Sierra National Construction, Inc.

ENVIRONMENTAL CONSIDERATIONS

An Environmental Impact Report for the overall Combined Sewer System Improvement Plan was certified by the City Council on March 11, 1997. An initial study and mitigated negative declaration, in compliance with the California Environmental Quality Act, for the UCD Medical Center Regional Storage Facility has been prepared and ratified by the City Council.

FINANCIAL CONSIDERATIONS

Based on the low bid of \$4,895,000, the revised total estimated project cost, including design, pre-purchase of the pre-cast concrete box culverts, construction, inspection, and contingency, is \$8,560,000. Staff recommends the City Council approve the transfer of \$2,360,000 from the Combined Sewer System Reserve (425-500-XD42-4414) to the UCD Medical Center Regional Storage Project (425-500-XM44-4820).

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POLICY CONSIDERATIONS

The Combined Sewer System Improvement Plan is consistent with past City Council direction and satisfies requirements that led to the rescission of the Cease and Desist Order issued by the RWQCB. This action is in conformance with City Code Section 58.03.304 which provides that the City Council may reject all bids and suspend competitive bidding in the best interest of the City.

MBE/WBE

Sierra National Construction, Inc., submitted a bid indicating that their MBE participation was 11.41%. However, their bid included \$155,000 for Intech Mechanical. Intech Mechanical used to be certified as a MBE by the City, but was no longer on the list of certified MBE's on the date the bids were opened. Apparently, Intech Mechanical assumed that Proposition 209 removed the need for certification with the City. Sierra National Construction, Inc., was reportedly not aware that Intech Mechanical had let its certification lapse.

Plans and specifications were sent to eight (8) plan rooms and construction service organizations for publication and use by the construction industry in Northern California. There are six (6) organizations on the distribution list which are directly involved with the outreach to MBE/WBE contractors.

- Other outreach efforts to prospective MBE/WBE contractors for this project included:
- Advertisement of the project of the City of Sacramento Construction Project Bid Line (916) 264-7000.
- Free access to review the project plans and specifications at the City of Sacramento Architecture & Engineering Division Plan Room at 927 10th Street.
- Notice of this project to three minority chambers of commerce and three minority and women community organizations directly involved with the outreach to MBE/WBEs.

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MBE/WBE participation by the bidders is as follows:

Contractor	Bid Amount	MBE	WBE	Good Faith Effort Documentation
		%	%	
Sierra National Construction, Inc.	\$4,895,000	8.27	9.97	req'd
Allen L. Bender, Inc.	\$5,113,768	1.36	0	rec'd
Kiewitt Pacific Co.	\$5,428,158	1.28	1.33	req'd
Tim Logan Construction, Inc.	\$5,871,616	0	0	req'd
Ranger Pipelines, Inc.	\$6,307,000	13.08	10.62	not req'd

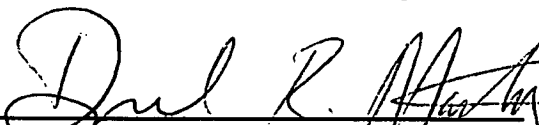
Respectfully submitted,

for 

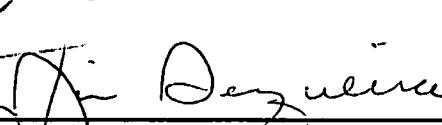
 Gary A. Reents
 Engineering Services Manager

RECOMMENDATION APPROVED:

APPROVED:

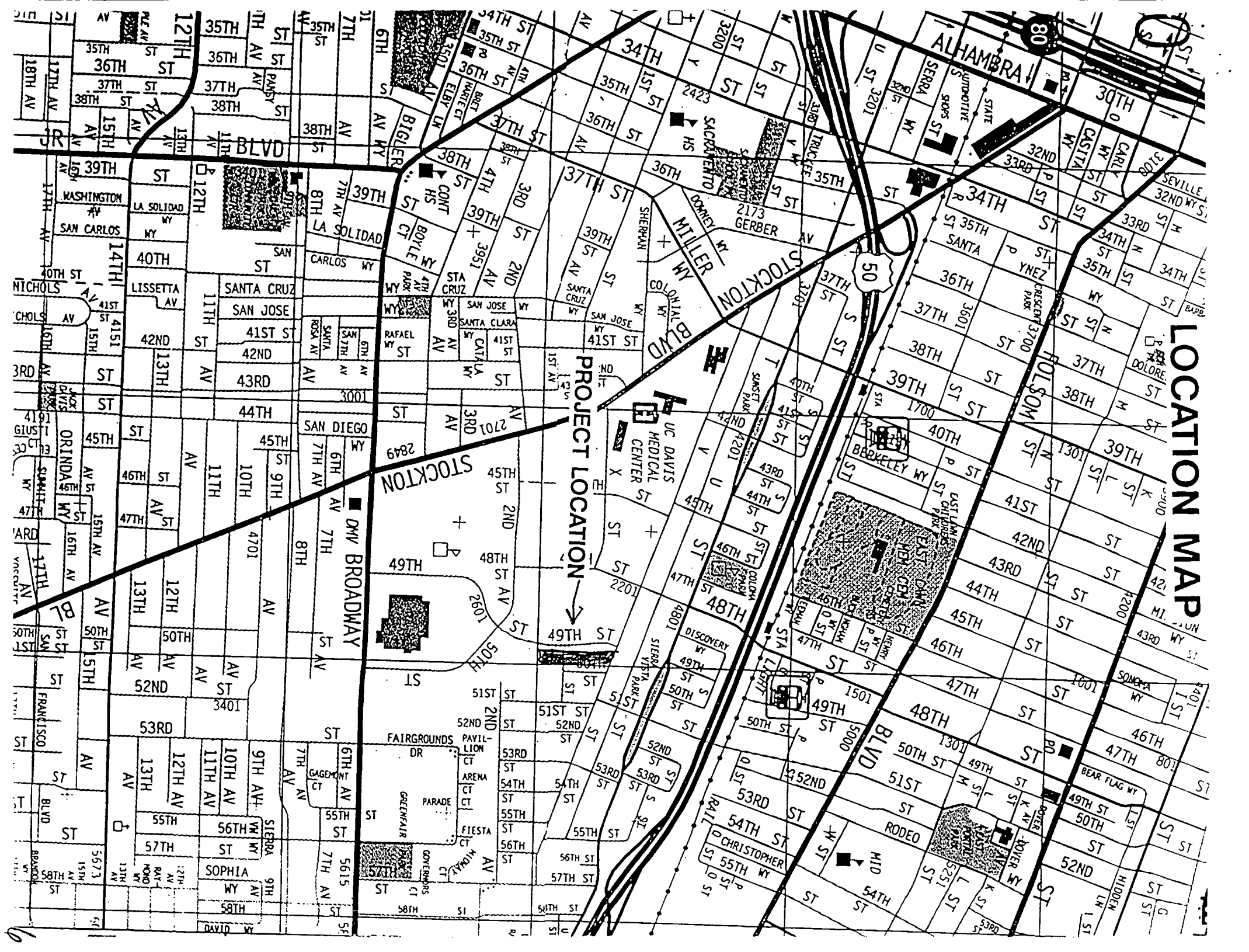
for 

 William H. Edgar
 City Manager



 James G. Sequeira
 Director of Utilities

LOCATION MAP



PROJECT LOCATION



ALHAMBRA

STOCKTON

STOCKTON

DMV BROADWAY

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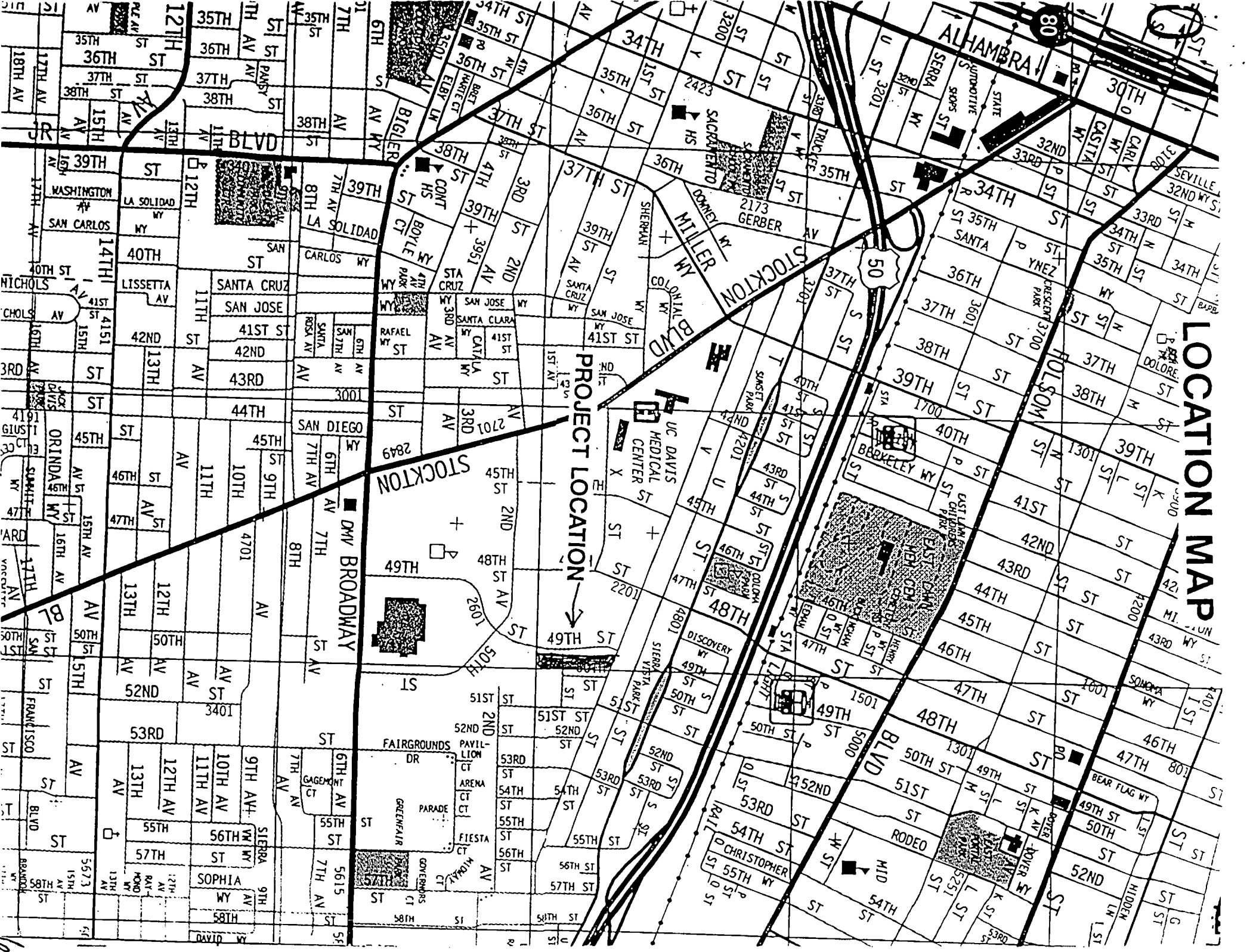
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UC DAVIS
MEDICAL CENTER

HEALTH CENTER

FAIRGROUNDS

GREENFAIR



APPROVED
BY THE CITY COUNCIL

as amended

RESOLUTION NO. 98-481

SEP 22 1998

ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE
CITY CLERK

ON DATE OF _____

**UCD MEDICAL CENTER REGIONAL STORAGE PROJECT (PN:XM44):
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AUTHORIZE THE CITY MANAGER AND CITY CLERK TO EXECUTE A
CONSTRUCTION CONTRACT WITH TO SIERRA NATIONAL CONSTRUCTION,
INC., FOR AN AMOUNT NOT TO EXCEED \$4,895,000.**

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

1. Funds in the amount of \$2,360,000 are transferred from the Combined Sewer System Reserve (425-500-XD44-4414) to the UCD Medical Center Regional Storage Project (425-500-XM44-4820).
2. All bids for the UCD Medical Center Regional Storage Project are rejected.
3. Competitive bidding is suspended, and the City Manager and City Clerk are hereby authorized to execute a contract with Sierra National Construction, Inc., for construction of the UCD Medical Center Regional Storage Project for an amount not to exceed \$4,895,000. The foregoing authorization shall not be effective until the City has obtained a right of entry for construction of the Project from the UCD Medical Center, in a form approved by the City Attorney.

MAYOR

ATTEST:

CITY CLERK

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

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2. All bids are rejected, competitive bidding is suspended, and the City Manager and City Clerk are hereby authorized to execute a contract with Sierra National Construction, Inc., for construction of the UCD Medical Center Regional Storage Project (PN:XM44) for an amount not to exceed \$4,895,000.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

Minutes Sec'y

COUNCIL RESOLUTION
MTG. DATE *9/22/98* ITEM NO. *1.1*
FROM CITY CLERK'S OFFICE

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

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