



3.11

DEPARTMENT OF UTILITIES

CITY OF SACRAMENTO CALIFORNIA

1395 35th AVENUE SACRAMENTO, CA 95822-2911

ENGINEERING SERVICES DIVISION

PH 916-264-1400 FAX 916-264-1497/1498

November 12, 2003

CO2003-174



City Council Sacramento, California

Honorable Members in Session:

SUBJECT: FREEPORT RESERVOIR INTERIOR COATING PROJECT (ZI01): AWARD CONTRACT TO AA-1 SERVICES, INC. FOR AN AMOUNT NOT TO EXCEED \$662,580.

LOCATION AND COUNCIL DISTRICT:

The Freeport Reservoir Interior Coating Project is located in Council District 7. See attached location map.

RECOMMENDATION:

Staff recommends that the City Council accept the low bid from AA-1 Services, Inc. for an amount not to exceed \$662,580 and award the contract.

CONTACT PERSON: Dave Brent, Engineering Services Manager, 264-1420 Dan Sherry, Supervising Engineer, 264-1419

FOR COUNCIL MEETING OF: December 2, 2003

SUMMARY

Bids were received from four (4) contractors and opened by the City Clerk on November 12, 2003. The low bidder was AA-1 Services, Inc. with a bid of \$662,580. AA-1 Services, Inc. met the Emerging and Small Business Enterprise (ESBE) goals. It is therefore proposed to award the contract to AA-1 Services, Inc. for \$662,580.

COMMITTEE/COMMISSION ACTION : None



CITY OF SACRAMENTO DEPARTMENT OF UTILITIES

City Council
November 12, 2003
Freeport Reservoir Interior Coating Project - (PN:ZI01)

BACKGROUND

The Freeport Reservoir is a three-million gallon, elevated, steel tank. The interior coating of the tank is failing and, in some places, is completely de-bonding from the steel tank surface. Corrosion is forming cracks, blisters and checks in the existing coating.

To reduce further deterioration of the tank interior and prevent corrosion generated leaks, the tank interior needs to be cleaned, patched, and re-coated.

The project was awarded last year to ANJ Construction for \$691,800. The contract was terminated a quarter of the way through construction when their construction bonds and insurance proved to be fraudulent.

The project was re-advertised and bids were received on November 12, 2003. Bids were received from four contractors as follows:

Contractor	Bid Amount
AA-1 Services	\$662,580
River City Painting	\$777,777
Redwood Painting Co., Inc.	\$847,100
Certified Coatings	\$898,000

The engineer's estimated construction cost was \$775,000. The estimated completion date is April 2004.

As part of the contract the City has required the coating contractor to provide one week of time for city staff to install the structural base/support for the future American flag.

FINANCIAL CONSIDERATIONS

The total estimated project cost including design, construction, inspection and contingency is \$796,200 based on the bid of \$662,580. As of November 12, 2003, the unobligated balance available for this project (413-500-ZI01-4820) is \$800,000, which is sufficient for award and completion.

City Council
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Freeport Reservoir Interior Coating Project - (PN:ZI01)

ENVIRONMENTAL DETERMINATION

The Planning Services Division, Environmental Section, has reviewed the project and has determined that this project is categorical exempt from CEQA under Section 15302 of the CEQA Guidelines.

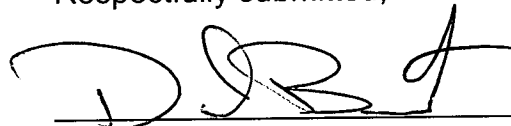
POLICY CONSIDERATIONS

This action is consistent with Chapter 3.60 of the City Code concerning award of contracts.

ESBD CONSIDERATIONS

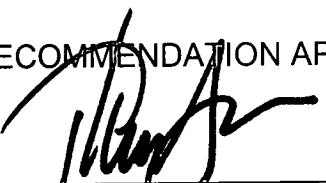
This project included participation goals of 20% for emerging and small business enterprises as required by Ordinance 99-007 and Resolution 99-055, relating to ESBD participation goals and policies, adopted by the City Council on February 9, 1999. The responsive low bidder, AA-1 Services, Inc. exceeded the ESBE goals with a participation level of 62.25.%.

Respectfully submitted,



Dave Brent
Engineering Services Manager

RECOMMENDATION APPROVED:


Robert P. Thomas
City Manager

APPROVED:


Gary A. Reents
Director of Utilities

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RESOLUTION NO. 2013-844

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONTRACT WITH AA-1 SERVICES, INC. FOR THE FREEPORT RESERVOIR INTERIOR COATING PROJECT (ZI01) FOR AN AMOUNT NOT TO EXCEED \$662,580

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

The City Manager and City Clerk are authorized to sign and execute a contract with AA-1 Services, Inc. for the Freeport Reservoir Interior Coating Project (ZI01) for an amount not to exceed \$662,580.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____