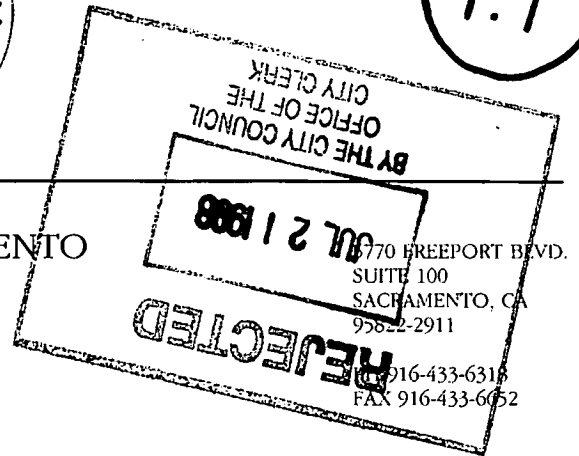




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DEPARTMENT OF
UTILITIES
ENGINEERING SERVICES

CITY OF SACRAMENTO
CALIFORNIA



July 8, 1998

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: INTERIOR COATING AND CATHODIC PROTECTION SYSTEM FOR THE MEDICAL CENTER, ALHAMBRA AND CITY COLLEGE RESERVOIRS (PN: ZF66, ZB71): SUSPENSION OF COMPETITIVE BIDDING, AND AWARD THE CONTRACT TO ROBISON-PREZIOSO FOR AN AMOUNT NOT TO EXCEED \$687,200

LOCATION AND COUNCIL DISTRICT:

The project is located at the Medical Center, City College, and Alhambra Reservoirs in Council Districts 3 and 5. See location map.

RECOMMENDATION:

Staff recommends that the City Council:

- Adopt the attached resolution suspending competitive bidding,
- Award the contract to Robison-Prezioso, Inc. for an amount not to exceed \$687,200 for the Interior Coating and Cathodic Protection System for the Medical Center, Alhambra and City College Reservoirs Project.

CONTACT PERSON: Gary A. Reents, Engineering Services Manager, 433-6633
Candace McGahan, Senior Engineer, 433-6617

FOR COUNCIL MEETING OF: July 21, 1998

City Council

July 8, 1998

Interior Coating and Cathodic Protection of Medical Center, Alhambra and City College Reservoirs (PN: ZF66, ZB71)

SUMMARY

Bids were received on March 4, 1998 from six contractors. Following a bid protest, the City Council held a hearing on June 2, 1998, and directed staff to review Robison-Prezioso's Good Faith Effort and come back with a resolution to suspend bids and award the contract to the low bidder. Staff recommends that City Council adopt the attached resolution suspending competitive bidding and award the contract to Robison-Prezioso, Inc., for an amount not to exceed \$687,200.

COMMITTEE/COMMISSION ACTION

None.

BACKGROUND INFORMATION

The City has three concrete elevated reservoirs that are a part of the water distribution system. These reservoirs were built in the 1930's at the following locations:

- Alhambra Reservoir - Alhambra Boulevard and J Street
- Medical Center Reservoir - 45th and V Streets
- City College Reservoir - 23rd and 12th Streets

The reservoirs have an interior coating that was applied at the time of the original construction. The coating is in poor condition. This project will apply a new coating.

Bids were received from six (6) contractors as shown below:

- | | |
|------------------------------|--------------|
| • Robinson-Prezioso, Inc. | \$ 687,200 |
| • Sierra National | \$ 781,000 |
| • Redwood Painting Co., Inc. | \$ 833,311 |
| • River City Painting | \$ 876,543 |
| • Hansen Painting | \$ 1,039,023 |
| • AA1 Painting Services | \$ 1,202,225 |

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Interior Coating and Cathodic Protection of Medical Center, Alhambra and City College Reservoirs (PN: ZF66, ZB71)

The following activities have occurred since the bids were received:

- The second low bidder filed a bid protest claiming an irregularity with the low bid.
- On June 2, 1998 City Council heard staff report regarding the bid protest.
- City Council directed staff to review Robison-Prezioso's Good Faith Effort and come back to council with a resolution to suspend bids, negotiate with and award the contract to the low bidder, Robison-Prezioso Inc., for an amount not to exceed \$687,200.
- Staff recommends that City Council adopt the attached resolution suspending competitive bidding and award the contract to Robison-Prezioso, Inc. for an amount not to exceed \$687,200. Staff believes that this action is in the best interest of the City since Robison-Prezioso's bid was significantly lower than the other bids.

FINANCIAL CONSIDERATIONS

The total estimated cost for this project including costs incurred to date is \$702,200. The contract cost associated with the interior coating work in the amount of \$ 612,200 will be charged to 413-500-ZF66 and the contract cost associated with cathodic protection in the amount of \$75,000 will be charged to 413-500-ZB71. Sufficient funds are available in 413-500-ZF66 and 413-500-ZB71, which have unobligated funds of \$641,188 and \$347,764, respectively, as of July 1, 1998.

ENVIRONMENTAL CONSIDERATIONS

The Environmental Services Division has determined that this project is categorically exempt pursuant to State Class 1 and 2 and Section Number 15302(c) of the California Environmental Quality Act.

POLICY CONSIDERATION

This action is consistent with Section 58.03.06 of the City Code.

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Interior Coating and Cathodic Protection of Medical Center, Alhambra and City College Reservoirs (PN: ZF66, ZB71)

MBE/WBE

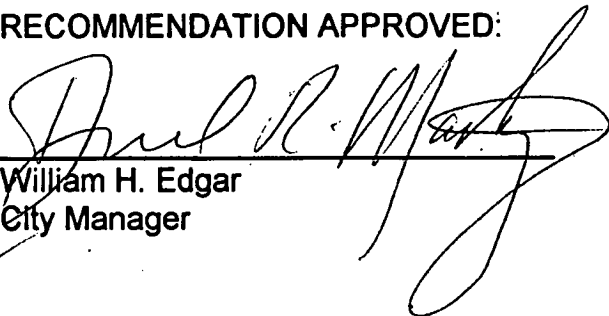
Robison-Prezioso's bid indicated that they met the MBE/WBE goals with an 11% MBE participation and a 10% WBE participation. Because of the bid irregularity, the actual WBE participation is less than the 10% listed. Consequently, Robison-Prezioso's bid did not meet the MBE goal. Based on Robison-Prezioso's assumption of meeting the MBE/WBE goals they did not document a Good Faith Effort.

Respectfully submitted,



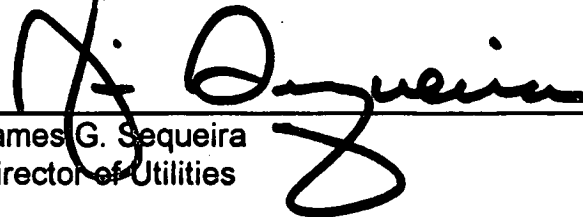
Gary A. Reents
Engineering Services Manager

RECOMMENDATION APPROVED:



William H. Edgar
City Manager

APPROVED:



James G. Sequeira
Director of Utilities

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RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING SUSPENSION OF COMPETITIVE BIDDING AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH ROBISON-PREZIOSO, INC., FOR AN AMOUNT NOT TO EXCEED \$687,200 FOR INTERIOR COATING AND CATHODIC PROTECTION SYSTEM FOR THE MEDICAL CENTER, ALHAMBRA, AND CITY COLLEGE RESERVOIRS PROJECT (PN: ZF66, ZB71)

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

1. It is in the best interest of the City of Sacramento to suspend competitive bidding for the Interior Coating and Cathodic Protection System for the Medical Center, Alhambra and City College Reservoirs Project.
2. The City Manager is authorized to enter into a contract with Robison-Prezioso, Inc., for the Interior Coating and Cathodic Protection System for the Medical Center, Alhambra and City College Reservoirs Project for an amount not to exceed \$687,200.
- 3.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____
DATE ADOPTED: _____