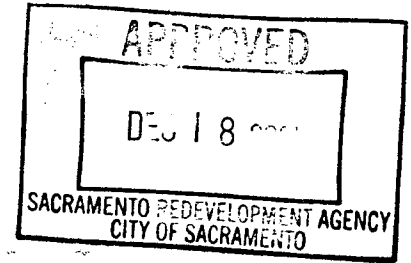


ECONOMIC DEVELOPMENT DEPARTMENT  
CITY OF SACRAMENTO

5.2



December 18, 2001

Redevelopment Agency of the City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** OLD SACRAMENTO EBNER'S HOTEL STABILIZATION PROJECT AND  
REQUEST FOR PROPOSALS (RFP) FOR REDEVELOPMENT OF FIVE OLD  
SACRAMENTO SITES

**LOCATION AND COUNCIL DISTRICT:** Old Sacramento, Council District 1

**STAFF RECOMMENDATION:**

This report recommends City Council approve the attached resolution authorizing the City Manager to:

1. Award a contract to Westcon Construction Corporation in the amount of \$1,088,500 for the Ebner's Hotel stabilization project;
2. Authorize the allocation of additional Merged Downtown Redevelopment Project tax increment funds for the Ebner's Hotel stabilization project;
3. Amend the contract with Marr Shaffer & Miyamoto in the amount of \$7,000; and
4. Provide direction to staff to develop and advertise a Request for Proposals (RFP) for the redevelopment of five Old Sacramento sites.

**CONTACT PERSON:** Laura Sainz, Senior Project Manager, 264-2677  
Wendy Saunders, Downtown Development Manager, 264-8196  
Sue Akiyama, Implementation Consultant, 264-7730

**FOR THE COUNCIL MEETING OF:** December 18, 2001

**SUMMARY:**

On February 27, 2001, City Council authorized the Downtown Development Group to solicit bids for the stabilization of the Ebner's Hotel located in Old Sacramento. \$906,600 was allocated from the Merged Downtown Redevelopment Project tax increment funds for the project. Eight local construction firms submitted bids for the stabilization project. Westcon Construction Corporation was the low bidder based on a combination of base bids and one of three stair alternates. Staff recommends awarding Base Bid B in the amount of \$1,060,500 for the stabilization, plus \$28,000 for the alternate Stair 3, for a total contract amount of \$1,088,500. In addition, staff seeks direction from City Council

*Building on Our History - Creating The Place to Be.*

on issuing a Request for Proposals (RFP) to redevelop the Ebner's Hotel site as well as four additional Old Sacramento sites.

## **BACKGROUND INFORMATION**

### **Ebner's Hotel Stabilization Project**

On February 27, 2001, City Council authorized the Downtown Development Group to solicit bids for the stabilization of the Ebner's Hotel located in Old Sacramento. The goals for the stabilization project were as follows:

1. Plans should allow removal of the building from the City's Dangerous Buildings list.
2. Plans should allow for a safe repair of all the erosion under the alley and sidewalk.
3. Plans should significantly improve the Ebner's Hotel building for reuse and marketing to developers.
4. Plans should restore the area around the Ebner's Hotel to full use for the city, business owners and patrons as quickly as possible.

Given these goals, \$906,600 was allocated from the Merged Downtown Redevelopment Project tax increment funds for the stabilization of the Hotel. City Council directed staff to include the restoration of historic doors and windows in the stabilization project. Staff proceeded to augment the engineering team with an architect proficient in historic restoration. The architect researched and recommended historically correct doors and windows for the project.

As staff and the Old Sacramento Management Board (OSMB) worked on the stabilization effort, additional issues associated with the stabilization and long-term use of the building arose. First, in order to meet life-safety requirements an exit stair, lighting and a fire suppression system needed to be added to the overall project. A temporary, exterior stair was proposed by staff but was met by opposition from OSMB due to concerns regarding the length of time the stair might be in place without the building being occupied. In response to that concern, staff directed the architect to design both a permanent, historic, exterior stair, and an interior stair that may or may not remain in the final development scheme. Secondly, lead-based paint abatement became an issue and needed to be included in the stabilization project.

On November 27, 2001, eight local contractors submitted bids on the project. To best evaluate costs, staff prepared a bid form with several alternatives. The bid package included two base bids, one that included the historic doors and windows and one that did not. It also included three stair alternatives: a temporary exterior stair; a permanent, historic exterior stair; and an interior stair. The final award will be a combination of one of the two base bids and one of the three stair bids. Having reviewed all of the bids, it was determined that Westcon Construction Corporation is the low bidder in any combination of the base and stair bids. A summary of all the bids is attached as Exhibit I.

Staff recommends the award of Base Bid B, which includes painted plywood at all door and window openings and the interior stair due to its reasonable cost and the elimination of a potential nuisance – the exterior stair on an unoccupied building. Staff is recommending plywood at all door and window openings after having reviewed the issue with the potential contractor and learning the plywood could provide a watertight seal. In addition, this prevents the possibility of historic doors and windows being

vandalized or destroyed, since they will be part of a vacant building. When the stabilization project is complete, the building will be structurally sound and ready for future development.

Every effort will be made to coordinate the stabilization project so that the sidewalk and alley will be open by the 2002 Old Sacramento Jazz Festival.

### **Old Sacramento Development Sites - Request for Proposals**

The Ebner's Hotel stabilization effort is a response to a critical life safety issue identified by the City's Chief Building Official. However, the investment in the Hotel is in preparation for the development of the site at some point in the future. The Ebner's Hotel is one of five development sites in Old Sacramento that the Economic Development Department would like to see redeveloped. The other four sites include:

1. The Empire House located adjacent to the Ebner's at 116 K Street.
2. The Magnolia Saloon/Lord's Restaurant Site located at 119 & 121 J Street.
3. The Orleans Hotel site located at 1022 Second Street.
4. The Firehouse Parking Lot site located at the corner of L and Front Streets.

The development of these sites should be consistent with the City and OSMB's long-term vision for Old Sacramento. Currently, OSMB is in the process of developing a strategic plan. Ideally, the strategic plan will develop an updated vision for Old Sacramento and the development of these sites will serve to further that vision. Given the current strategic planning process in place, staff would like to issue an RFP that allows for the development of all of these sites in a way that is consistent with the outcome of the strategic plan. The RFP will be flexible and should allow bids to be received on one and/or any number of the sites. A major component of the evaluation process will be whether or not the bids further the vision developed during the strategic planning process.

### **FINANCIAL CONSIDERATIONS:**

The allocation approved for this project in February of this year was \$906,600. However, as staff further refined the stabilization effort it was determined that city building code would require the addition of a stair, fire suppression system and lighting, which added to the overall cost of the project. In addition, the lead-based paint abatement was not accounted for in the original estimate. To address these costs, staff has already allocated an additional \$47,000 to the project. In addition, \$200,000 was added to the project in the 2002 Agency budget. To date \$99,550 has been spent on design, plan check fees, and miscellaneous expenses related to the bid process.

As stated above, staff recommends the award of Base Bid B, in the amount of \$1,060,500. This bid does not include historically correct doors and windows, which would add \$129,000 to the project. Staff also recommends the inclusion of the interior stair at a cost of \$28,000. The total recommended construction contract amount is \$1,088,500. Staff anticipates hiring an outside consultant to provide construction management/oversight. This cost should not exceed 4.5% of construction costs.

The contract with Marr Shaffer & Miyamoto will need to be amended in the amount of \$7,000 because of costs related to the design of the interior stair. Therefore, the total cost of the project will be:

Construction	\$1,088,500
20% Contingency	219,900
Project Management Costs	47,000
Amended Design Contract	7,000
Permits	12,000
<b>TOTAL</b>	<b>\$1,374,400</b>

The additional funds of \$320,350 will be allocated from the Downtown Developer's Assistance fund.

**ENVIRONMENTAL CONSIDERATION:**

The proposed action is exempt from CEQA per Guidelines Section 14331. Class 31 consists of projects limited to maintenance, repair, stabilization, rehabilitation, restoration, preservation, conservation or reconstruction of historical resources in a manner consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring and Reconstruction Historic Buildings (1995). NEPA does not apply.

**POLICY CONSIDERATIONS:**

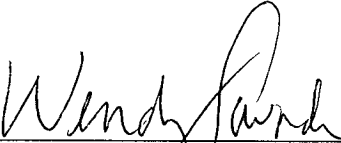
First and foremost, this recommendation addresses a critical life safety issue identified by the City's Chief Building Official. It also allows for the preservation of a structure that contributes to the National Historic Landmark District of Old Sacramento. In addition, the building is on the California Register of Historical Resources. The issuance of an RFP for the five development sites is consistent with the adopted 2005 Downtown Redevelopment Plan that envisions the "completion" of the Old Sacramento area including the redevelopment of these sites. Finally, the stabilization of the Ebner's Hotel and the future redevelopment of the five sites is consistent with the City's overall effort to enhance the Riverfront, as Old Sacramento offers access, amenities and a complementary use to the Riverfront.

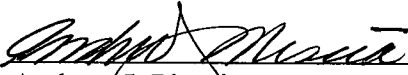
**MBE/WBE:**

No federal funds are being allocated for this project, therefore the M/WBE policy does not apply. SHRA will track M/WBE participation for reporting purposes.

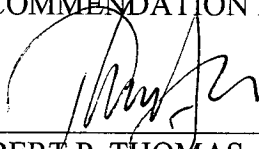
Respectfully submitted,

APPROVED:

  
 Wendy S. Saunders  
 Downtown Development Manager

  
 Andrew J. Plescia  
 Economic Development Director

RECOMMENDATION APPROVED:

  
 ROBERT P. THOMAS  
 City Manager

# Sacramento Housing and Redevelopment Agency

Bid No: IFB No. 2001126-LE Due Date: 11/27/2001 Time: 2:00 P.M. Recorded By: Lynn Evans Witnessed By: Sadaea Lax P.O. Number: Award Date:	(Page 1 of 3 Pages)	Bidder: JP Heintz & Company, Inc. Telephone: 916-456-5777 Extension: Fax: 916-456-5774 Contact: John Heintz <input type="checkbox"/> Awarded	Bidder: John F. Otto, Inc. Telephone: 916-441-6870 Extension: Fax: 916-441-6138 Contact: Carl R. Otto <input type="checkbox"/> Awarded	Bidder: Kimmel Construction, Inc. Telephone: 916-452-6691 Extension: Fax: 916-736-1129 Contact: Lawrence A. Suddjian <input type="checkbox"/> Awarded
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Item	Qty.	Unit	Description	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	1	Job	Alternate Add Item: The cost to complete the wood frame historically correct exterior stairway as part of the building as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$74,049.45	\$74,049.45	\$59,000.00	\$59,000.00	No Bid	No Bid
2	1	Job	Alternate Add Item: The cost to complete the temporary steel frame exterior stairway as part of the building as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$30,644.00	\$30,644.00	\$29,000.00	\$29,000.00	No Bid	No Bid
3	1	Job	Alternate Add Item: The cost to complete the permanent interior stairway "M" as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$57,335.00	\$57,335.00	\$81,000.00	\$81,000.00	No Bid	No Bid
4	1	Job	BASE BID A: LUMP SUM TOTAL FOR BUILDING ONLY WITH NEW WINDOWS & DOORS (EXCLUDING STAIRWAY ITEMS NO. 1, 2, & 3 ABOVE).	\$1,464,735.58	\$1,464,735.58	\$1,450,000.00	\$1,450,000.00	\$1,637,838.00	\$1,637,838.00
5	1	Job	BASE BID B: LUMP SUM TOTAL FOR BUILDING ONLY WITH PLYWOOD AT WINDOWS & DOORS (EXCLUDING STAIRWAY ITEMS NO. 1, 2, & 3 ABOVE).	\$1,273,678.14	\$1,273,678.14	\$1,310,000.00	\$1,310,000.00	No Bid	No Bid

### Award Determination

- |  |                                      |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Lowest Price | <input type="checkbox"/> Urgency     |
| <input type="checkbox"/> Only Source             | <input type="checkbox"/> Split Order |
| <input type="checkbox"/> Proprietary Item        | <input type="checkbox"/> Other       |

# Sacramento Housing and Redevelopment Agency

Bid No: IFB No. 2001126-LE Due Date: 11/27/2001 Time: 2:00 P.M. Recorded By: Lynn Evans Witnessed By: Sadaea Lax P.O. Number: Award Date:	(Page 2 of 3 Pages)	Bidder: M & H Builders, Inc. Telephone: 916-483-9393 Extension: Fax: 916-483-9395 Contact: Tom Hauser  <input type="checkbox"/> Awarded	Bidder: S W Allen Construction Inc. Telephone: 916-344-2098 Extension: Fax: 916-344-0307 Contact: Stephen W. Allen  <input type="checkbox"/> Awarded	Bidder: Sierra National Construction, Inc. Telephone: 916-481-6792 Extension: Fax: 916-482-2207 Contact: Kip Skidmore  <input type="checkbox"/> Awarded
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Item	Qty.	Unit	Description	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	1	Job	Alternate Add Item: The cost to complete the wood frame historically correct exterior stairway as part of the building as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$121,600.00	\$121,600.00	\$57,164.00	\$57,164.00	\$68,500.00	\$68,500.00
2	1	Job	Alternate Add Item: The cost to complete the temporary steel frame exterior stairway as part of the building as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$56,400.00	\$56,400.00	\$32,750.00	\$32,750.00	\$40,500.00	\$40,500.00
3	1	Job	Alternate Add Item: The cost to complete the permanent interior stairway "M" as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$112,000.00	\$112,000.00	\$77,751.00	\$77,751.00	\$75,000.00	\$75,000.00
4	1	Job	BASE BID A: LUMP SUM TOTAL FOR BUILDING ONLY WITH NEW WINDOWS & DOORS (EXCLUDING STAIRWAY ITEMS NO. 1, 2, & 3 ABOVE).	\$1,368,000.00	\$1,368,000.00	\$1,374,012.00	\$1,374,012.00	\$1,287,000.00	\$1,287,000.00
5	1	Job	BASE BID B: LUMP SUM TOTAL FOR BUILDING ONLY WITH PLYWOOD AT WINDOWS & DOORS (EXCLUDING STAIRWAY ITEMS NO. 1, 2, & 3 ABOVE).	\$1,240,000.00	\$1,240,000.00	\$1,166,561.00	\$1,166,561.00	\$1,137,000.00	\$1,137,000.00

### Award Determination

- |  |                                      |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Lowest Price | <input type="checkbox"/> Urgency     |
| <input type="checkbox"/> Only Source             | <input type="checkbox"/> Split Order |
| <input type="checkbox"/> Proprietary Item        | <input type="checkbox"/> Other       |

# Sacramento Housing and Redevelopment Agency

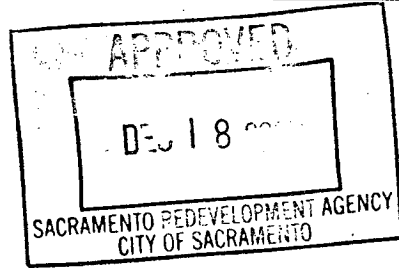
Bid No: IFB No. 2001126-LE Due Date: 11/27/2001 Time: 2:00 P.M. Recorded By: Lynn Evans Witnessed By: Sadaea Lax P.O. Number: Award Date:	(Page 3 of 3 Pages)	Bidder: Westcon Construction Corp. Telephone: 916-663-2425 Extension: Fax: 916-663-2448 Contact: Eric F. Campbell <input type="checkbox"/> Awarded	Bidder: Younger Gen. Contractors, Inc. Telephone: 916-631-8000 Extension: Fax: 916-631-8293 Contact: Mark P. Younger <input type="checkbox"/> Awarded
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Item	Qty.	Unit	Description	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	1	Job	Alternate Add Item: The cost to complete the wood frame historically correct exterior stairway as part of the building as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$34,000.00	\$34,000.00	\$80,000.00	\$80,000.00		
2	1	Job	Alternate Add Item: The cost to complete the temporary steel frame exterior stairway as part of the building as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$11,500.00	\$11,500.00	\$30,000.00	\$30,000.00		
3	1	Job	Alternate Add Item: The cost to complete the permanent interior stairway "M" as described in this project's specifications & Drawings (include fire sprinkler, electrical, & mechanical as specified).	\$28,000.00	\$28,000.00	\$50,000.00	\$50,000.00		
4	1	Job	<b>BASE BID A</b> LUMP SUM TOTAL FOR BUILDING ONLY WITH NEW WINDOWS & DOORS (EXCLUDING STAIRWAY ITEMS NO. 1, 2, & 3 ABOVE.	\$1,190,000.00	\$1,190,000.00	\$1,296,000.00	\$1,296,000.00		
5	1	Job	<b>BASE BID B</b> : LUMP SUM TOTAL FOR BUILDING ONLY WITH PLYWOOD AT WINDOWS & DOORS (EXCLUDING STAIRWAY ITEMS NO. 1, 2, & 3 ABOVE).	\$1,060,500.00	\$1,060,500.00	\$1,266,000.00	\$1,266,000.00		

**Award Determination**

Lowest Price       Urgency  
 Only Source       Split Order  
 Proprietary Item       Other

7



**RA RESOLUTION NO. 2001-066**

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF \_\_\_\_\_

**RESOLUTION ON THE OLD SACRAMENTO EBNER'S HOTEL STABILIZATION PROJECT AND REQUEST FOR PROPOSALS (RFP) FOR REDEVELOPMENT OF FIVE OLD SACRAMENTO SITES**

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

1. Award a contract to Westcon Construction Corporation in the amount of \$1,088,500 for the Ebner's Hotel stabilization project;
2. Authorize the allocation of \$320,350 from the Downtown Developer's Assistance fund for the Ebner's Hotel stabilization project;
3. Amend the contract with Marr Shaffer & Miyamoto in the amount of \$7,000; and
4. Provide direction to staff to develop and advertise a Request for Proposals (RFP) for the redevelopment of five Old Sacramento sites.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_



