

RESOLUTION NO. 2007-113

Adopted by the Sacramento City Council

February 20, 2007

REJECTION OF BIDS, SUSPENSION OF COMPETITIVE BIDDING, AND AUTHORIZATION TO NEGOTIATE A CONTRACT FOR THE SACRAMENTO MARINA SOUTH BASIN RENOVATION PROJECT (PN: IA66).

BACKGROUND

- A. The Sacramento Marina South Basin is 45 years old and in a deteriorated condition.
- B. The Sacramento Marina South Basin Renovation Project was advertised for bidding on November 17, 2006, and three bids were received and opened on January 10, 2007.
- C. The lowest bid exceeded the engineer's estimate and the project fund balance. For this reason, the contract cannot be awarded to the lowest responsible bidder.
- D. The timing of construction of the project is constrained by the Army Corps of Engineers permit that requires all in-water construction activities to occur between August 1st and November 30th. Due to this constraint, revising this project to bring costs down and then re-bidding the contract would very likely delay the project for a year, during which time it is expected that construction costs will continue to escalate.
- E. It is in the City's best interests to avoid this delay and cost escalation. For this reason, staff has recommended that the City Council reject all bids, suspend competitive bidding in the best interests of the City, and authorize staff to negotiate with those of the three bidders who agree to negotiate within specified parameters, to obtain an agreement for construction of the project this year for an amount within the available project funding.
- F. It is in the City's best interests to take these actions so that the project can be accomplished with the available funding and within this year's construction window.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The bids received on January 10, 2007 for the Sacramento Marina South Basin Renovation Project (PN: IA66) are rejected.
- Section 2. In the best interests of the City, competitive bidding is suspended for the Sacramento Marina South Basin Renovation Project.

Section 3. City staff is authorized and directed to undertake negotiations with those of the three bidders who agree to negotiate within the parameters specified below, to obtain an agreement for construction of the project this year for an amount within the available project funding.

- a. Revisions to the project scope in order to reduce costs will be determined in the sole discretion of the City, and will be limited to consideration of the following potential revisions, unless City staff determines that other revisions that would not reduce the project quality or scope may be acceptable:
 - (1) Use of a concrete deck with a truss supported float system instead of the specified concrete float systems.
 - (2) Elimination of the covers from Dock K including the fire protection system.
 - (3) Reuse instead of replacement the existing fuel dispensing system, the sewer pump out facility and the marina store on the new dock system.
 - (4) Elimination of the replacement of Dock K including the marina store and fuel pumps.
- b. The contract price negotiated for the project must be less than the low bid already received and within the funding that is available for the contract.
- c. Negotiations with all participating contractors shall be concluded within two weeks after the date this Resolution is adopted, unless the Director of Utilities extends this time period.
- d. At the conclusion of negotiations, if at least one contractor is offering a contract price that meets the above criteria, City staff shall return to the City Council with a recommendation for contract award. If more than one contractor is offering such a price, City staff shall recommend award of a contract to the proposal that best serves the City's interests, which may or may not be the lowest price proposal.
- e. Negotiations shall be limited to only those contractors who agree to participate in the negotiations in accordance with, and abide by, the above parameters.

Adopted by the City of Sacramento City Council on February 20, 2007 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters.

Noes: None.

Abstain: None.

Absent: Mayor Fargo.

Attest:


Shirley Concolino, City Clerk


Kevin McCarty, Vice Mayor