

# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org



CONSENT  
September 28, 2010

Honorable Mayor and  
Members of the City Council

**Title: Contract: Base Repair by Cold Planing at Various Locations**

**Location/Council District:** Citywide.

**Recommendation:** Adopt a **Resolution** awarding a one-year maintenance and repair agreement for base repair by cold planing at various locations in an amount not to exceed \$90,000, with options to extend the agreement for up to two additional one-year periods. The total amount of the agreement, including the two optional one-year extensions, will not exceed \$278,200.

**Contact:** Juan Montanez, Street Services Manager, 808-2254; Ramon Gibbons, 808-5871

**Presenters:** None

**Department:** Transportation

**Division:** Street Services

**Organization No:** 15001631

### **Description/Analysis**

**Issue:** The Street Services Division of the Department of Transportation has an ongoing need to maintain and repair the transportation corridors within the City of Sacramento. In August, 2010, Invitation for Bid No. B113492001 was issued for Base Repair by Cold Planing at Various Locations. City Council approval is necessary to award a maintenance and repair agreement to Anrak Corporation, the lowest responsive and responsible bidder.

**Policy Considerations:** The recommendations in this report are consistent with Sacramento City Code Section 3.56, Purchasing of Supplies and Services, as well as AP- 4101, Procurement of Non-Professional Services.

In accordance with Sacramento City Council Resolution No. 2010-346, Anrak Corporation is headquartered in the state of California. The proposed contract award is consistent with Resolution 2010-346 prohibiting the City from entering

into any contract to purchase goods or services from any business or entity headquartered in Arizona.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** Under the California Environmental Quality Act (CEQA) guidelines, continuing administrative or maintenance activities do not constitute a project and are therefore exempt from review.

**Sustainability Considerations:** The pavement maintenance and repair services purchased under this contract will support the goals of the City of Sacramento's Sustainability Master Plan by improving and optimizing the transportation infrastructure. Further, this contract provides for the reuse, where appropriate, of treated asphalt grinding debris as base material, thereby helping reduce the over-consumption of natural resources and diverting waste material from the City's landfill.

**Rationale for Recommendation:** This contract provides equipment and labor for base repair by cold planing, an important step in the preparation of streets for the annual resurfacing program. In August, 2010, Invitation for Bid No. B113492001 was issued for Base Repair by Cold Planing at Various Locations. One company, Anrak Corporation, submitted a responsive bid in response to Invitation for Bid No. B113492001. Although there was only one bid, the bid amount is considered by staff to be reasonable.

Based on the foregoing, staff recommends that the City Manager, or his designee, be authorized to execute a maintenance and repair agreement with Anrak Corporation for base repair by cold planing at various locations within the City of Sacramento in an initial amount of \$90,000 in year one, with up to two one-year options for extension. The total amount of the contract, with optional extensions, will not exceed \$278,200 for the three-year period.

**Financial Considerations:** Pavement maintenance is funded by Capital Improvement Projects (CIP's) and the Street Services operating budget. There is sufficient funding available in the operating budget to support the projected maintenance requirements for fiscal year 2010/11. No additional funding is requested with this action. Extensions of the contract in succeeding fiscal years shall be subject to funding availability in the adopted budgets for each fiscal year.

The total amount of the agreement, \$278,200, acknowledges the potential for an annual price increase of up to 3% in the second and third years.

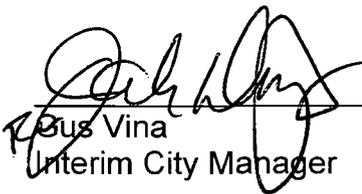
The approval of this project will support 7.95 jobs in the City of Sacramento based upon the model provided by the Federal Highway Administration (FHWA) of one new job for every \$35,000 of transportation project investment.

**Emerging Small Business Development (ESBD):** Anrak Corporation is certified by the City of Sacramento as an Emerging/Small Business Enterprise.

Respectfully Submitted by:   
Juan Montanez  
Street Services Manager

Approved by:   
Jerry Way  
Director of Transportation

Recommendation Approved:

  
Gus Vina  
Interim City Manager

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**Attachment 1**

**BID SUMMARY**

In August, 2010, Invitation for Bid No. B113492001 was issued for Base Repair by Cold Planing at Various Locations. Only one company, Anrak Corporation, submitted a bid in response to the invitation. Although there was only one bid, the bid amount is considered by staff to be reasonable.

The following summarizes the bid submitted by Anrak Corporation:

<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>ESTIMATED ANNUAL QUANTITY</u>	<u>EXTENDED ANNUAL PRICE</u>
Cold Planing, at Various Locations	\$ 439.00 per hour	x 200*	\$87,800.00
Repair of Damaged Teeth on Cutting Drum	\$ -0- each	x 300*	\$ -0-
Repair of Damaged Pockets on Cutting Drum	\$ -0- each	x 300*	\$ -0-
		<b>BID TOTAL</b>	<b>\$87,800.00</b>

\* Quantities are estimates for bidding purposes only and the City's actual requirements may increase or decrease throughout the contract term. All services to be provided on an as-needed basis.

The total amount of the agreement, \$278,200, acknowledges the potential for an annual price increase of up to 3% in the second and third years.

**Attachment 2**

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**CONTRACT: BASE REPAIR BY COLD  
PLANING AT VARIOUS LOCATIONS**

**BACKGROUND**

- A. The City has an ongoing need to maintain and repair the pavement along its transportation corridors.
- B. In August 2010, the City issued Invitation for Bid No. B113492001 for base repair by cold planing at various locations within the City, and one bidder responded, Anrak Corporation. Anrak Corporation was determined to be both responsive and responsible in the formal competitive process.
- C. There is sufficient funding available in the operating budget to support the projected maintenance requirements for fiscal year 2010/11. Extensions of the contract in succeeding fiscal years shall be subject to funding availability in the adopted budgets for each fiscal year.

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

- Section 1. A contract is awarded to Anrak Corporation for base repair by cold planing at various locations in an initial amount of \$90,000 in year one, with up to two one-year options for extension. The total amount of the contract, with optional extensions, will not exceed \$278,200 for the three-year period.