

DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

927 10th STREET
SUITE 300
SACRAMENTO, CA
95814-2702

TECHNICAL SERVICES
DIVISION

PH 916-264-8300
FAX 916-264-7903

November 18, 1999

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: RESOLUTION SUSPENDING COMPETITIVE BIDDING FOR CONSTRUCTION OF DEL PASO NUEVO, PHASE 2 AND AUTHORIZING THE CITY MANAGER TO SOLICIT PROPOSALS FOR A FAST TRACK CONSTRUCTION CONTRACT

LOCATION AND COUNCIL DISTRICT:

Area bounded by Norwood Avenue, Altos Avenue, South Avenue and Arcade Creek, Council District #2.

RECOMMENDATION:

This report recommends that the City Council approve the attached resolution:

- Suspending competitive bidding with a two-thirds vote; and
- Authorizing the City Manager to solicit proposals from general contractors to enter into a "Fast Track" construction contract to construct the Del Paso Heights, Phase 2 Project.

CONTACT PERSON: Cecilyn Foote, Project Manager, 264-6843
Ken Grehm, Supervising Engineer, 264-7531

FOR COUNCIL MEETING OF: December 7, 1999

Department of
PUBLICWORKS
CITY OF
SACRAMENTO



City Council
Resolution Suspending Competitive Bidding
for Construction of Del Paso Nuevo, Proposals for Fast Track Construction
November 19, 1999

SUMMARY:

This report requests Council to utilize a "Fast-Track" construction contract to complete the project in the fall of 2000 and allow the construction of new homes by a Redevelopment Agency sponsored developer next year. If this process is not utilized, the building of new market rate homes in this redevelopment area will be delayed until 2001.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

In June, 1997, the Del Paso Heights community, through the Redevelopment Agency and the City, received an award of \$10.5 million in federal grants and loans for the development of a new homeownership community – Del Paso Nuevo. The City was one of six cities nationwide to receive an Economic Development Initiative grant to revitalize this section of North Sacramento. The funds will be used to construct major infrastructure improvements and finance the acquisition and development of land for new homes.

Phase 1 of the Del Paso Nuevo project was the realignment of Ford Road near Norwood Avenue. Ford Road, which was landscaped as part of Phase 1, will be a gateway into the revitalized Del Paso Nuevo area. Phase 1 was completed this past summer.

Phase 2 of the project will construct the following improvements:

- Two new detention basins/parks
- Major street reconstruction on portions of Hayes Avenue and Ford Road
- Sewer trunk line on Carroll Road
- Construction of new north-south street between Norwood Avenue and Taylor Road
- 30 lot subdivision (ready for builders) near Ford Road and Norwood Avenue

Project Delivery

Staff is recommending an alternative project delivery process in order to complete this project next year and allow the building of homes to begin.

The City's standard design, bid, and construction process would require the selection of contractor to begin after all design was completed. Design approvals for the proposed subdivision are scheduled to be completed in the spring/summer 2000. Utilizing our existing bidding process, we could not complete the subdivision in time to allow home construction to begin next year.

A negotiated design assisted/build contract with provisions for fast-tracking will allow the design and construction phases to occur concurrently. Early phases of work could begin in spring, while final phases of the work were still obtaining necessary approvals. The overall project cost should be similar regardless of the delivery process utilized.

City Council

Resolution Suspending Competitive Bidding

for Construction of Del Paso Nuevo, Proposals for Fast Track Construction

November 19, 1999

The "Fast- Track" construction contract concept will have the following parameters:

- The contractor will work closely with City/Agency consultants so as to minimize the level of design drawings to only those needed to get competitive pricing.
- Carter Burgess (The agency's engineer) will produce drawings and specifications grouped into phases, which will allow the contractor to commence construction on the detention basins, demolition, underground, road improvements, and subdivision improvements well before subsequent phases are ready to be bid.
- The contractor will bid the phased drawings directly to the subcontracting community following City bidding practices, including Small Business Utilization as well as community involvement.
- The contract will be limited to a guaranteed maximum price before a notice to proceed is issued for each phase.
- The general contractor's fee and general condition costs will be set before the "Fast Track" contract is awarded.

Staff will return, to the City Council, with a recommended contractor after the selection panel has made its recommendation.

FINANCIAL CONSIDERATIONS:

The estimated project cost for Phase 2 of the Del Paso Nuevo project is \$4,800,000. The funding is being provided from the federal grant and loans administered by the agency.

The funding agreement with the agency will be brought back for Council approval when staff recommends approval of a contractor.

ENVIRONMENTAL CONSIDERATIONS:

Council ratified the Negative Declaration and adopted the Mitigation Reporting Plan for the Del Paso Nuevo Project in February 1998.

POLICY CONSIDERATIONS:

The suspension of competitive bidding, upon a two-thirds vote, and authorizing the City Manager to solicit proposals from general contractors to enter into a "Fast Track" construction contract for the Del Paso Nuevo, Phase 2 Project is consistent with Sacramento City Code, Title 58.

City Council

Resolution Suspending Competitive Bidding

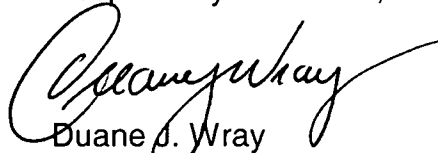
for Construction of Del Paso Nuevo, Proposals for Fast Track Construction

November 19, 1999

ESBD CONSIDERATONS:

This proposal, selection, and negotiation process will utilize the Emerging and Small Business Enterprise program requirements as well as local and community involvement programs.

Respectfully submitted,



Duane J. Wray
Technical Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager
P/Job #/5814/Council/Del Paso Nuevo, Phase 2

APPROVED:



Michael Kashiwagi
Director of Public Works

RESOLUTION NO. 99-709

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____



**RESOLUTION SUSPENDING COMPETITIVE BIDDING FOR
CONSTRUCTION OF DEL PASO NUEVO, PHASE 2
AND AUTHORIZING THE CITY MANAGER TO SOLICIT PROPOSALS
FOR A FAST TRACK CONSTRUCTION CONTRACT**

THE CITY COUNCIL OF THE CITY OF SACRAMENTO RESOLVES:

1. Competitive bidding is suspended in the best interest of the City.
2. The City Manager is hereby authorized to solicit proposals from general contractors to enter into a fast track construction contract to construct the Del Paso Nuevo, Phase 2 Project.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____