



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2671
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CONSENT
May 23, 2006

Honorable Mayor and
Members of the City Council

Subject: Contracts: Maintenance and Repair of Sidewalks, Curbs, and Gutters

Location/Council District: Citywide

Recommendation:

Adopt the attached resolution: 1) suspending competitive bidding for contracts for the maintenance and repair of sidewalks, curbs and gutters; 2) approving the list of contractors for the maintenance and repair of sidewalks, curbs and gutters; and 3) authorizing the City Manager, or his designee, to execute individual contracts for the maintenance and repair of sidewalks, curbs and gutters with contractors on the approved list. Each contract will have an initial term of one year, with the possibility of up to four one-year extensions (for a maximum contract term of five years), and will specify the same unit price for every item of work. The combined total amount of such contracts shall not exceed the total amount authorized by the City Council for this purpose in the applicable fiscal year Operating and Capital Improvement Project (CIP) budgets for the maintenance and repair of sidewalks, curbs and gutters.

Contacts: Juan Montanez, Interim Street Services Manager, (916) 808-2254, Gabriel Morales, Interim Operations General Supervisor (916) 808-2289; Ramon Gibbons, Program Specialist, (916) 808-5871

Presenters: none

Department: Transportation

Division: Street Services

Organization No: 3493

Summary:

The Street Services Division annually spends over \$1,000,000 for the repair of defective sidewalks, curbs and gutters; this includes repair of sidewalks adjacent to privately owned property for which the property owner reimburses the City. The Street Services Division contracts this work to concrete contractors on an approved list established after a competitive bidding process.

Committee/Commission Action: None

Background Information:

Bids for the performance of this work were requested utilizing the City's formal competitive bidding procedures. Bids were received on April 12, 2006 from the following contractors:

- o Do-Right Conrete Inc.
- o Gassaway Concrete
- o Sheppard Concrete Inc.
- o Franklin T. Gassaway & Sons, Inc.
- o G & G Concrete
- o Keeshan Construction
- o BRW Concrete
- o Madriago - Lewis Construction Inc.
- o M. Beavers Concrete Construction
- o Ismeal Marquez Concrete (dba I.M.C.)

The above contractor list is prioritized from low to high bid, based on twelve identified bid items. The responsive contractor submitting the lowest bid will be ranked # 1 and will be assigned as much work as it can perform, before work is assigned to the next-lowest responsive bidder (#2), and so on. Work is assigned in this fashion to provide an incentive for bidders to submit the lowest bids possible, before the uniform unit prices are established as explained below.

The Ismeal Marquez Concrete (dba I.M.C.) bid was determined non-responsive due to failure to acknowledge addendum #1 and failure to sign the bid.

The nine (9) responsive bids were evaluated; the high bid and low bid value for each of the 52 bid items were discarded. An average dollar amount for each bid item was then determined. This final adjusted amount is listed in the price sheet for each contract and is the amount each contractor will be compensated, by line item, for the work required by this contract. This averaging is performed to establish the same unit prices for each contractor, to provide uniform pricing for the homeowners who reimburse the City for the work done to their sidewalks.

Staff is recommending that the City Council suspend competitive bidding, in the best interests of the City, to allow for the award of multiple contracts with uniform unit prices. Staff believes that this is in the City's best interests, because it is necessary to utilize multiple contractors to accommodate the volume of work performed, and establishing uniform unit prices assures that all City residents pay the same cost for their sidewalk repair, regardless of which contractor performs the work.

During the term of these contracts, if the volume of work becomes too great for the nine contractors on the approved list to handle, this suspension of competitive bidding also will allow the City to add additional contractors to the list without a further bidding process, as needed to perform the additional work at the same unit prices. The bid

documents reserve the City's right to enter into such additional contracts if necessary, and provides that these additional contractors, if any, would be added to the bottom of the primary list, or to a secondary list. Any additions to the approved list will be subject to Council approval.

These contracts have an initial term of one year, with the option to extend this term for up to four one-year extensions.

Financial Considerations:

The total payments to each contractor during the initial term or during any extended term, in combination with payments to the other contractors on the City's approved list for Maintenance and Repair of Sidewalks, Curbs and Gutters, shall not exceed the total funds authorized by the Sacramento City Council for this purpose in the applicable fiscal year Operating and Capital Improvement Project budgets.

Environmental Considerations:

This project has been determined to be exempt from the California Environmental Quality Act (CEQA) under section 15301 (c) of the CEQA Guidelines, which states that repair and maintenance of existing highways and streets involving negligible or no expansion of existing use is exempt from CEQA review.

Policy Considerations:

The recommendations in this report are consistent with the City's Strategic Plan goals to improve and expand public safety, and achieve sustainability and livability.

Emerging Small Business Development (ESBD):

This project does not fall within the definition of "public project" specified in City Code title 3.60.010, but was formally bid. To encourage broader participation, the Plans and Specifications were provided free of charge, and were mailed to identified concrete contractors certified with the City's Office of Small Business Development. Additionally, plans were sent to eight (8) plan rooms for publication and use. The project was advertised on the City's bid page. Additionally, the payment and performance bond requirement was established at \$25,000 each. Eight of the nine contractors are emerging or small businesses, certified with the City or State. The one contractor not certified is using two certified small business as subcontractors for the required twenty percent (20%) of the contracted work.

Respectfully Submitted by: Juan C. Montanez
Juan Montanez
Interim Street Services Manager

Approved by: Jerry Way
Jerry Way
Interim Director, Department of Transportation

Recommendation Approved:


RAY KERRIDGE
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

RESOLUTION SUSPENDING COMPETITIVE BIDDING, APPROVING CONTRACTOR LIST, AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE CONTRACTS FOR MAINTENANCE AND REPAIR OF SIDEWALKS, CURBS AND GUTTERS WITH NINE CONTRACTORS

BACKGROUND

A. Bids were received on April 12, 2006 from the following contractors:

- o Do-Right Concrete Inc.
- o Gassaway Concrete
- o Sheppard Concrete Inc.
- o Franklin T. Gassaway & Sons, Inc.
- o G & G Concrete
- o Keeshan Construction
- o BRW Concrete
- o Madriago - Lewis Construction Inc.
- o M. Beavers Concrete Construction
- o Ismeal Marquez Concrete (dba I.M.C.)

B. The contractor list is prioritized from low to high bid, based on twelve identified bid items.

C. The Ismeal Marquez Concrete (dba I.M.C.) bid was determined non-responsive due to failure to acknowledge addendum #1 and failure to sign the bid.

D. The nine (9) responsive bids were evaluated; the high bid and low bid value for each of the 52 bid items were discarded. An average dollar amount for each bid item was then determined. This final adjusted amount is listed in the price sheet for each contract and is the same amount each contractor will be compensated, by line item, for the work required by this contract. These contracts have an initial term of one year, with the option to extend this term for up to four one-year extensions.

E. During the term of these contracts, if the volume of work becomes too great for the nine contractors on the approved list to handle, additional contractors may be added to the list, as needed to perform the additional work at the same unit prices. These additional contractors, if any, would be added to the bottom of the primary list, or to a secondary list.

F. It is in the best interests of the City to allow for the award of multiple contracts with uniform unit prices, because it is necessary to utilize multiple contractors to accommodate the volume of work performed, and establishing uniform unit prices assures that all City residents pay the same cost for their sidewalk repair, regardless of which contractor performs the work.

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

Section 1. In the best interests of the City, competitive bidding is suspended for contracts for the maintenance and repair of sidewalks, curbs and gutters.

Section 2. The contractors list for the maintenance and repair of sidewalks, curbs and gutters is approved. Any additions to this list shall be approved by the City Council.

Section 3. The City Manager, or the City Manager's designee, is authorized to execute individual contracts for the maintenance and repair of sidewalks, curbs and gutters with contractors on the approved list. Each contract will have an initial term of one year, with the possibility of up to four one-year extensions (for a maximum contract term of five years), and will specify the same unit price for every item of work. The combined total amount of such contracts shall not exceed the total amount authorized by the City Council for this purpose in the applicable fiscal year Operating and Capital Improvement Project (CIP) budgets for the maintenance and repair of sidewalks, curbs and gutters.

