

RESOLUTION NO. 2008-172

Adopted by the Sacramento City Council

March 25, 2008

AWARDING A CONTRACT FOR SECUREMENT SERVICES TO CAPITOL RECONSTRUCTION COMPANY, INCORPORATED AND AUTHORIZING AN AMENDMENT TO CONTRACT NO. 2006-041

BACKGROUND

- A. The Code Enforcement Department, Housing and Dangerous Buildings Division, has a continuing need for securement services. Capitol Reconstruction is one of the contractors currently providing these services. A contract between Capitol Reconstruction Company, Incorporated, and the city was entered on February 22, 2006. The Contract No. is 2006-041. Amendment No. 1 was approved on June 12, 2007 by Resolution 2007-379.
- B. The contract between Capitol Reconstruction Company, Incorporated and the city provided for a base period of one year with the option to extend for three additional one year terms, up to a total contract term of four years (including the base period and all extensions). The annual not-to-exceed amount was \$95,000. Amendment No. 1 increased the not-to-exceed amount for FY 2007/2008 to \$100,000.
- C. In FY 2006, expenditures on the contract between Capitol Reconstruction, Incorporated and the city were \$70,000. In FY 2007, due to an unanticipated volume of work for properties that required securement, approximately \$182,243 was spent on securements. For the first six months of FY 2008, the expenditures were anticipated to equal \$100,000. The actual expenditures for eight months totaled \$250,503. The Code Enforcement Department, Housing and Dangerous Buildings Division, is authorized to pay outstanding invoices to Capitol Reconstruction Company, Incorporated, in the amount of \$150,503 for securement services incurred during this eight month time period (in addition to the original \$100,000 estimate). The Code Enforcement Department, Housing and Dangerous Buildings Division, recommends that the City Council approve payment to the Capitol Reconstruction Company, Incorporated for the outstanding invoices of \$150,503 for securement services incurred during the first eight months of FY 2007/2008 and an additional \$60,000 for securement services for the time period of approximately two months during which the new securement services contracts are being finalized.
- D. Capitol Reconstruction Company's services were retained through informal competitive bidding (IFB B061187034). Capitol Reconstruction Company, Incorporated, was the lowest responsible bidder. In good faith, staff believed it was in compliance with all applicable requirements in API 1 and the City Code. Inadvertently, it failed to realize that formal competitive bidding was required under the City Code given the total expenditures on this contract. Similarly, it inadvertently did not previously bring this contract for award by city council.

- E. Desiring to be in conformance with best practice, and to try to obtain more favorable pricing, staff is going through a formal bid procedure for these services. Securement services are an integral part of code compliance efforts in the city. Securements help to prevent entry through breached openings to substandard and dangerous buildings. These buildings are attractive nuisances. Capitol Reconstruction Company, Incorporated has provided excellent securements services.
- F. Based on the above facts, it is in the City's best interests to suspend competitive bidding for securement services, and The City Manager is authorized to sign a second amendment to Contract No. 2006-041 to increase the contract amount for FY 2007/2008 from \$100,000 to \$ 310,503 for a total contract amount not to exceed \$567,858.

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

- Section 1. The City Manager is authorized to sign an amendment number two to Contract No. 2006-041, a contract with Capitol Reconstruction Company, Incorporated for securement services to increase the contract amount for FY 2007/2008 from \$100,000 to \$310,503 for a total contract amount not to exceed \$567,858.
- Section 2. Code Enforcement Department, Housing and Dangerous Buildings is authorized to pay outstanding invoices of Capitol Reconstruction Company, Incorporated in the amount of \$150,503.

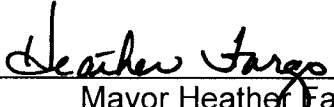
Adopted by the City of Sacramento City Council on March 25, 2008 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmember Pannell.



Mayor Heather Fargo

Attest:



Dawn Bullwinkel, Assistant City Clerk