



DEVELOPMENT SERVICES  
DEPARTMENT  
DEVELOPMENT,  
ENGINEERING AND FINANCE  
DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

1231 I STREET SUITE 200  
SACRAMENTO, CA  
95814-2998

May 12, 2005

**SUBJECT: EL CENTRO ROAD AND ARENA BOULEVARD TRAFFIC SIGNAL APPROVAL OF PLANS AND SPECIFICATIONS, CREATION OF A CAPITAL IMPROVEMENT PROJECT, APPROPRIATION OF FUNDS, SUSPENSION OF COMPETITIVE BIDDING, APPROVAL OF PURCHASE AGREEMENT WITH FULCRUM CAPITAL, LLC AND AWARD OF CONTRACT TO PACIFIC EXCAVATION (TWO-THIRDS VOTE REQUIRED)**

**LOCATION AND COUNCIL DISTRICT:** Intersection of El Centro Road and Arena Boulevard, Council District 1

**RECOMMENDATION:**

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

- Approving the Plans and Specifications;
- Authorizing the creation of a Capital Improvement Project (PN:SK66);
- Appropriating \$168,454 in support of the project;
- Suspending competitive bidding;
- Approving a purchase agreement with Fulcrum Capital for design and associated costs in the amount of \$26,040.43 and
- Awarding a contract to Jim Paxin's Pacific Excavating for construction of the signal in the amount of \$137,413.

**CONTACT PERSON:** Ed Williams, Manager, Development, Engineering and Finance,  
808-5440

**FOR COUNCIL MEETING OF:** May 31, 2005





**SUMMARY:**

The installation of a signal at the intersection of El Centro Road and Arena Boulevard is needed at this time. Fulcrum Capital has bid this signal and another one that is integral to their nearby project on Arena Boulevard (Market West). The developer would normally construct both signals. The developer and the City, however, have been unable to reach agreement on the off-site signal. Approval of this recommendation would allow the City to contract directly with the low bidder and compensate Fulcrum for directly related expenses for design, permitting, inspections and testing. Approval would allow the construction of this signal immediately. The signal is a part of the North Natomas Financing Plan and is paid by the plan.

**COMMITTEE/COMMISSION ACTION:**

None.

**BACKGROUND INFORMATION:**

The installation of a signal at the intersection of El Centro Road and Arena Boulevard is needed at this time. The signal is specified by the North Natomas Financing Plan and is paid for by the Plan in the form of credits issued for developer-built improvements or in the form of cash for City-built and contracted improvements.

In an effort to program this project as a developer-built improvement, Fulcrum Capital advertised and received three bids for construction. Fulcrum also incurred expenses for design and permitting. Fulcrum Capital and the City have not, however, been able to come to terms acceptable to both parties that would allow Fulcrum to proceed with construction. Staff therefore recommends that it is in the best interest of the City to contract directly with the lowest bidder and reimburse Fulcrum for expenses.

Because the bidding was not conducted under City control, it is necessary to suspend competitive bidding. Documents received from Fulcrum show that three bids were submitted for a combination of two signals as follows:

Richard A Heaps:	\$264,341
M&M Electric:	\$275,195
Pacific Excavation:	\$255,363

The two signals are at Stemmler and Arena (the entrance to Market West) and at El Centro and Arena.

A breakout analysis by Sunseri Associates shows that the El Centro signal accounts for

\$137,413 of Pacific Excavation's low bid. The award of contract is recommended in this amount to Pacific Excavation.

Fulcrum incurred costs for design and permitting for both signals. These costs and their recommended allocation are as follows:

<u>Item</u>	<u>Cost</u>	<u>Allocation %</u>	<u>Reimbursable</u>
Design	\$23,000.00	50%	\$12,500.00
Topographic Survey	1,550.00	36.28%	562.34
Permitting, Inspection, Materials Testing	35,196.00	36.28%	12,769.11
Design Miscellaneous	417.97	50%	208.98
	<u>\$60,163.97</u>		<u>\$26,040.43</u>

Staff recommends the execution of a purchase agreement in the amount of \$26,040.43 with Fulcrum Capital to buy the design and reimburse Fulcrum for the other expenses.

The last item of expenditure is \$5,000 for City staff costs for inspection. This brings the total requested to \$168,454.

**FINANCIAL CONSIDERATIONS:**

There is no impact to the General Fund. The signal at El Centro and Arena is included in the North Natomas Financing Plan ("NNFP") and is paid by the Plan.

The transaction associated with this request is a transfer of \$168,454 from the fund balance of the NNFP (780-710-7012-4999) to the new project, El Centro/Arena Traffic Signal (780-500-SK66-4820).

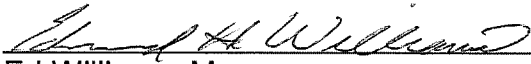
**ENVIRONMENTAL CONSIDERATIONS:**

The Environmental Services Manager has determined the proposed project is exempt from environmental review pursuant to Section 15301(c) of the CEQA Guidelines.

**POLICY CONSIDERATIONS:**

Approval is consistent with the City's Strategic Plan goals to enhance and preserve the neighborhoods and improve and diversify the transportation system.

Respectfully submitted:

  
Ed Williams, Manager  
Development Engineering & Finance

RECOMMENDATION APPROVED:

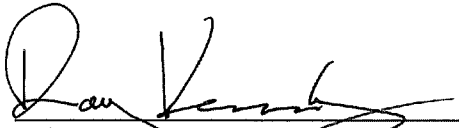
  
ROBERT P. THOMAS  
City Manager

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# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: \_\_\_\_\_

**A RESOLUTION FOR THE CONSTRUCTION OF THE EL CENTRO ROAD AND ARENA BOULEVARD TRAFFIC SIGNAL; APPROVAL OF PLANS AND SPECIFICATIONS; CREATION OF A CAPITAL IMPROVEMENT PROJECT; APPROPRIATION OF FUNDS; SUSPENSION OF COMPETITIVE BIDDING; APPROVAL OF PURCHASE AGREEMENT WITH FULCRUM CAPITAL, LLC AND AWARD OF CONTRACT TO JIM PAXIN'S PACIFIC EXCAVATION**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:**

**WHEREAS,**

- A. The El Centro Road Traffic Signal ("Signal") is needed at this point in time.
- B. The Signal is a designated improvement of the North Natomas Financing Plan ("Plan") and is funded by the Plan.
- C. Pursuant to the Plan, the Signal can be constructed by a developer and paid with fee credits or be constructed by the City through contracts and paid with cash.
- D. In an effort to have the Signal built by a developer, Fulcrum Capital contracted for design, incurred related expenses and issued and received bids for construction.
- E. The City and Fulcrum Capital have been unable to reach an agreement that would allow Fulcrum Capital to proceed with construction.
- F. The low bid received by Fulcrum was from Tim Paxin's Pacific Excavation in the amount of \$137,413.
- G. Costs incurred by Fulcrum Capital total \$26,040.43.
- H. The bidding procedure was not under supervision of the City, requiring a suspension of competitive bidding as provided for in SCC 3.60.170 through a two-thirds vote of the City Council and a determination that it is in the best interests of the city to suspend competitive bidding.
- I. The City needs to purchase the design from Fulcrum Capital and reimburse Fulcrum Capital for appropriate and related expenses.

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**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**NOW, THEREFORE, BE IT RESOLVED BY CITY COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:**

- A. City Council hereby finds that the recitals set forth above are true and correct and are incorporated herein by reference as findings.
- B. City Council further finds that it is in the City's best interest to suspend competitive bidding.
- C. A contract for the construction of the traffic signal at the intersection of El Centro Road and Arena Boulevard is hereby awarded to Tim Paxin's Pacific Excavation in the amount of \$137,413.
- D. The City Manager is hereby authorized to enter into a purchase contract with Fulcrum Capital, LLC. In the amount of \$26,040.43 for the purpose of acquiring the design for the signal and reimbursing Fulcrum for design and other appropriate and related expenses.
- E. A Capital Improvement Project is hereby established for the El Centro Road and Arena Boulevard Traffic Signal (PN:SK66).
- F. The City Manager is hereby authorized to appropriate \$168,454 in support of the project from North Natomas Development Fees fund balance (780-710-7012-4999) to the project (780-500-SK66-4820).

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

