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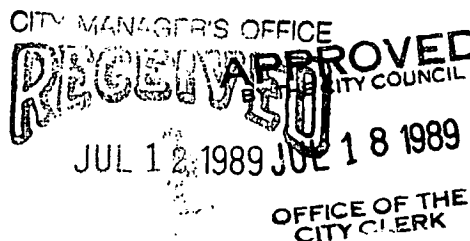
**DEPARTMENT OF
PUBLIC WORKS**

ENGINEERING DIVISION

THOMAS M. FINLEY
ENGINEERING DIVISION MANAGER

CITY OF SACRAMENTO
CALIFORNIA

927 TENTH STREET
ROOM 200
SACRAMENTO, CA
95814-2705



916-449-8220

CONSTRUCTION SECTION
640 BERGUT DRIVE
SUITE B
SACRAMENTO, CA
95814-0131

916-449-5282

July 18, 1989

City Council
Sacramento, California

SUBJECT: Hollywood Park Steel Water Main Replacement (PN:ZB61) - Bid Rejection

SUMMARY

This project has been advertised for bid. Bids were received and bid rejection is recommended.

BACKGROUND

This project would remove the deteriorated steel water mains in seven streets located in the area bounded by Freeport Boulevard, Irvin Way, Virginia Way and Murietta Way and replace the water mains with new piping.

On May 2, 1989, the City Council approved the plans and specifications for this project. On June 6, 1989, bids were received and opened by the City Clerk. The bids received were:

Dorfman Construction Co., Inc.	\$255,849
Cox and Cox Construction, Inc.	\$277,207
Granite Construction Co.	\$365,563
John Vranesh Trenching and Pipeline	\$424,494

The engineer's estimated construction cost was \$173,000. The low bid of Dorfman Construction Co., Inc. was 47.9% higher than the engineer's estimate. It is believed to be in the best interest of the City to reject all bids and readvertise the project at a later date.

FINANCIAL DATA

The current budget for the project is \$200,000, which was approved in the Capital Improvement Program from Water Funds (413). The funds currently available for this project amount to \$193,000 as of June 27, 1989.

POLICY CONSIDERATIONS

None.

City Council
Hollywood Park Steel Water Main Replacement
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MBE/WBE EFFORTS:

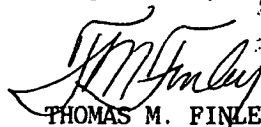
Plans and specifications were sent to nineteen (19) plan rooms and construction services organizations for publication and use by the construction industry in Northern California. There are four (4) organizations on the distribution list that are directly involved with MBE/WBE contractors. There were sixteen (16) planholders for this project, only one of whom is a certified MBE contractor. However, that contractor did not submit a bid.

RECOMMENDATION

It is recommended that the City Council reject the bids for this project.

APPROVED
BY THE CITY COUNCIL

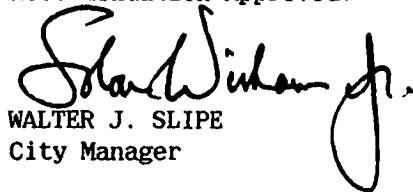
Respectfully submitted, JUL 18 1989



THOMAS M. FINLEY
Engineering Division Manager

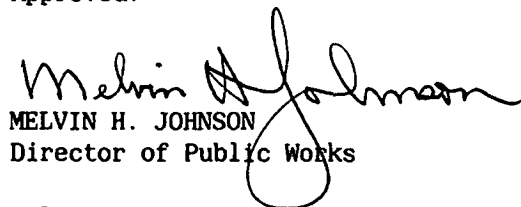
OFFICE OF THE
CITY CLERK

Recommendation Approved:



for: WALTER J. SLIPE
City Manager

Approved:



MELVIN H. JOHNSON
Director of Public Works

CONTACT PERSON:

N. Dee Lewis
Supervising Engineer, 449-8230

July 18, 1989
District No. 4

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