



36

DEPARTMENT OF
PUBLIC WORKS

ENGINEERING DIVISION

THOMAS M. FINLEY
ENGINEERING DIVISION MANAGER

City Council
Sacramento, California

Subject: Street Improvements in the Oak Park Residential Area
(PN:TA86) - Bid Rejection

SUMMARY

This project has been advertised for bids. Only one bid was received and bid rejection is recommended.

BACKGROUND

Construction in the Oak Park Residential Area has been divided into three projects, all being performed under the same project numbers: curb, gutter and sidewalk; ramps for the handicapped; and this project for street improvements on three streets (Catala Way, 11th Avenue and 42nd Street), including pavement, curb, gutter, sidewalk and drainage.

The project was originally advertised for bids in August 1988, but only one bid was received which was higher than the available budget and the bid was rejected. The project was reviewed and the budget increased before readvertising for bids.

On April 18, 1989, the City Council approved the revised plans and specifications for this project. Bids were to be received and opened by the City Clerk on May 16, 1989, but only one bid was received:

James Riolo Paving, Inc.	\$191,785
--------------------------	-----------

The engineer's estimated construction cost was \$187,500.

The project requirements included submission of the contractor's good faith effort to meet MBE and WBE goals of 20% and 5% respectively. The project also required submission of the contractor's plan to meet the good faith effort goal for neighborhood hiring. Review of the good faith effort documentation by City staff and the Sacramento Housing and Redevelopment Agency showed that the contractor did not make adequate solicitation of MBE/WBE subcontractors to attempt to meet the goals. Review of the contractor's neighborhood hiring plan by City staff and the Sacramento Housing and Redevelopment Agency indicated that none of the existing work force resides in the project area and no new hires would be required to perform the contract.

Staff recommends rejecting the bid and readvertising the project in an effort to improve compliance with the above criteria.

CITY OF SACRAMENTO
CALIFORNIA
APPROVED
BY THE CITY COUNCIL

June 27 1989
JUN 27 1989

OFFICE OF THE CITY CLERK

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

DECLASSIFICATION

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

Authority: 25 CFR 171.10

City Council
Street Improvements in the Oak Park Residential Area (PN:TA86)
June 27, 1989
Page 2

FINANCIAL DATA

Sufficient funds are available for this project, which is one of three projects funded under this project number. The estimated total cost for this project, including all planning, design and construction costs, is \$221,000. The current budget for the three projects is \$960,829, which was approved in the Capital Improvement Program with \$70,000 from Community Development Block Grant Funds (205) and \$890,829 from Tax Increment Funds (206). The funds currently available for this portion of the total project amount to \$264,000 as of June 6, 1989.

POLICY CONSIDERATIONS

Rejection of the bid for this project is in conformance with the policy requiring good faith efforts by bidders to obtain and use MBE/WBE sub-bidders on projects utilizing federal funds.

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 seven (7) plan holders for this project, none of whom are certified MBE/WBE contractors.

RECOMMENDATION

It is recommended that the City Council reject the bid of James Riolo Paving, Inc. in the amount of \$191,785.

Respectfully submitted,



THOMAS M. FINLEY

Engineering Division Manager

Recommendation Approved:


WALTER J. SLIPE
City Manager

Approved:


MELVIN H. JOHNSON
Director of Public Works

CONTACT PERSON

N. Dee Lewis
Supervising Engineer, 449-8230

June 27, 1989
District No. 5

GDC:eh
ED6-15.A
06.1489

Attachment

1945

1946

1947

1948

1949

1950

1951

1952

1953

June 29, 1989

James Riolo Paving, Inc.
2660 Vineyard Road
Roseville Ca 95678

All of the bids submitted for Street Improvements in the Oak Park Residential Area were rejected by the City Council at the regular meeting of June 27, 1989.

Returned herewith is your bond in the amount of 10% which was submitted for the above bid.

The bid will be scheduled for rebid in the future.

Sincerely,

Janice Beaman
Acting Assistant City Clerk

lmh/jb/#36

Enclosure: Bond issued by CNA Insurance Companies

44