

## **RESOLUTION NO. 2007-379**

Adopted by the Sacramento City Council

June 12, 2007

### **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. The present contractor who provides these services is Capitol Reconstruction Company, Incorporated. A contract between Capitol Reconstruction Company, Incorporated, and the city was entered on February 22, 2006. The Contract No. is 2006-041.
- 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.
- 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 require securement, approximately \$107,355 has been spent thus far on securements, with an additional \$80,000 projection for the remainder of FY 2007. Thus, for FY 2007, expenditures for securements are anticipated to equal \$187,355. For the first six months of FY 2008, the expenditures are anticipated to equal \$100,000. Staff is requesting council authorization for these increases in expenditures, and for FY 2007, the ratification of the past expenditure of \$7,356 above City Manager authority.
- 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 plans to go through the bid procedure again for these services. It is estimated that the Department will need an additional 6 month period for the formulation of the project specifications and new bid package, advertisement, and award process.

- F. 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.
- G. 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 an amendment to Contract No. 2006-041 to increase the contract amount for FY 2006/2007 from \$95,000 to \$187,355, the amount for FY 2007/2008 from \$95,000 to \$100,000 for a total contract amount not to exceed \$357,355

**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 securement services.
- Section 2. The City Manager is authorized to sign an amendment to Contract No. 2006-041 to increase the contract amount for FY 2006/2007 from \$95,000 to \$187,355, the amount for FY 2007/2008 from \$95,000 to \$100,000 for a total contract amount not to exceed \$357,355..
- Section 3. The past expenditure of \$7,356 above City Manager authority is ratified.

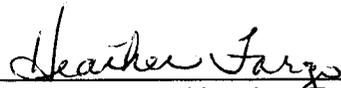
Adopted by the City of Sacramento City Council on June 12, 2007 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.

  
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Mayor Heather Fargo

Attest:

  
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Shirley Concolino, City Clerk