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DEPARTMENT
OF UTILITIES

ENGINEERING
SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

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May 18, 2001

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: SUMP 155 TRASH RACKS AND FOREBAY IMPROVEMENTS (PN: WJ11):
REJECTION OF BIDS**

LOCATION AND COUNCIL DISTRICT:

The project is located at 6201 Camellia Avenue, near "H" Street. Sump 155 pump station is located in Council District 3 (see location map).

RECOMMENDATION:

Staff recommends that the City Council reject all bids for the Sump 155 Trash Racks and Forebay Improvements Project so that staff can rebid the project.

CONTACT PERSON: Gary A. Reents, Engineering Services Manager, 264-1433
Andrew A. Hunt, Supervising Engineer, 264-1408

FOR COUNCIL MEETING OF: June 5, 2001

SUMMARY

Bids were received on May 9, 2001, from two (2) contractors. All bids were considerably more than the project cost estimate, including contingencies. The project will be modified slightly and advertized in a more favorable bid climate to encourage more bidders to participate.

COMMITTEE/COMMISSION ACTION

None.



CITY OF SACRAMENTO
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City Council
May 18, 2001
Reject Bids (PN: WJ11)

BACKGROUND INFORMATION

Sump 155 is a drainage pump station between River Park and the CSUS campus. The station pumps drainage water into the American River. The following is a list of proposed improvements.

- Replace out dated electrical and control equipment.
- Replace out dated remote telemetry unit.
- Replace control building to house the new electrical, control and telemetry equipment.
- Extend Station 16 feet upstream to allow more room for maintenance.
- Replace hand cleaning trash racks with automated trash racks.
- Grade and shotcrete 400 foot long approach channel.
- Construct platform for emergency generator and electrical hook-up at Camellia Avenue.

The engineer's estimate of construction cost for this project was indicated on the documents to be \$677,000. Bids were received from two (2) contractors as shown below:

• Allen L. Bender, Inc.	\$ 721,364.93
• Sierra National Const., Inc.	\$ 969,849.00

Although their bid, when corrected for mathematical errors, was only 7.15% over the engineer's estimate, Allen L. Bender, Inc., wrote a certified letter on May 14, 2001 indicating that they had made an "inadvertent clerical error" by transcribing a wrong number onto their bid form and that the total bid cost of \$921,474 was the correct amount. If the amount could not be changed, they requested that their bid be withdrawn. The intended amount of \$921,474 was 35.52% over the engineer's estimate. Sierra National's bid was 51.25% over the engineer's estimate.

Both bids were well over the engineer's estimate of construction cost, including contingencies. Staff analysis, including many phone calls made to potential bidders, indicates the high bids on the project were due primarily to the current saturation of the bid market due to the excessive amount of development construction going on and the unavailability of medium sized contractors to bid on the project.

FINANCIAL CONSIDERATIONS

Currently, Sump 155 Trash Racks and Forebay Improvements (PN:WJ11), has a balance of \$525,000, which is not sufficient for award based on the two bids received. It is expected that rebidding the project during a more favorable bid climate will result in substantial cost savings.

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ENVIRONMENTAL CONSIDERATIONS

The Environmental Services Division has determined that this project is categorically exempt pursuant to State Class 1 and 2 and Section Number 15302(c) of the California Environmental Quality Act.

POLICY CONSIDERATION

This action is consistent with Chapter 3.60, Article I and III of the City Code concerning award of contracts.

ESBD CONSIDERATIONS

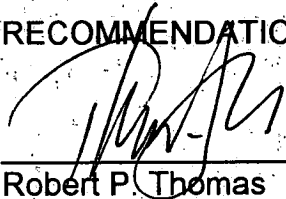
This project included participation goals of 20% for emerging and small business enterprises as required by Ordinance 99-007 and Resolution 99-055, relating to ESBD participation goals and policies, adopted by the City Council on February 9, 1999. No contract is being awarded at this time. The project will be rebid.

Respectfully submitted,



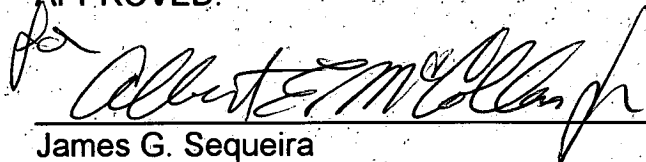
Gary A. Reents
Engineering Services Manager

RECOMMENDATION APPROVED:

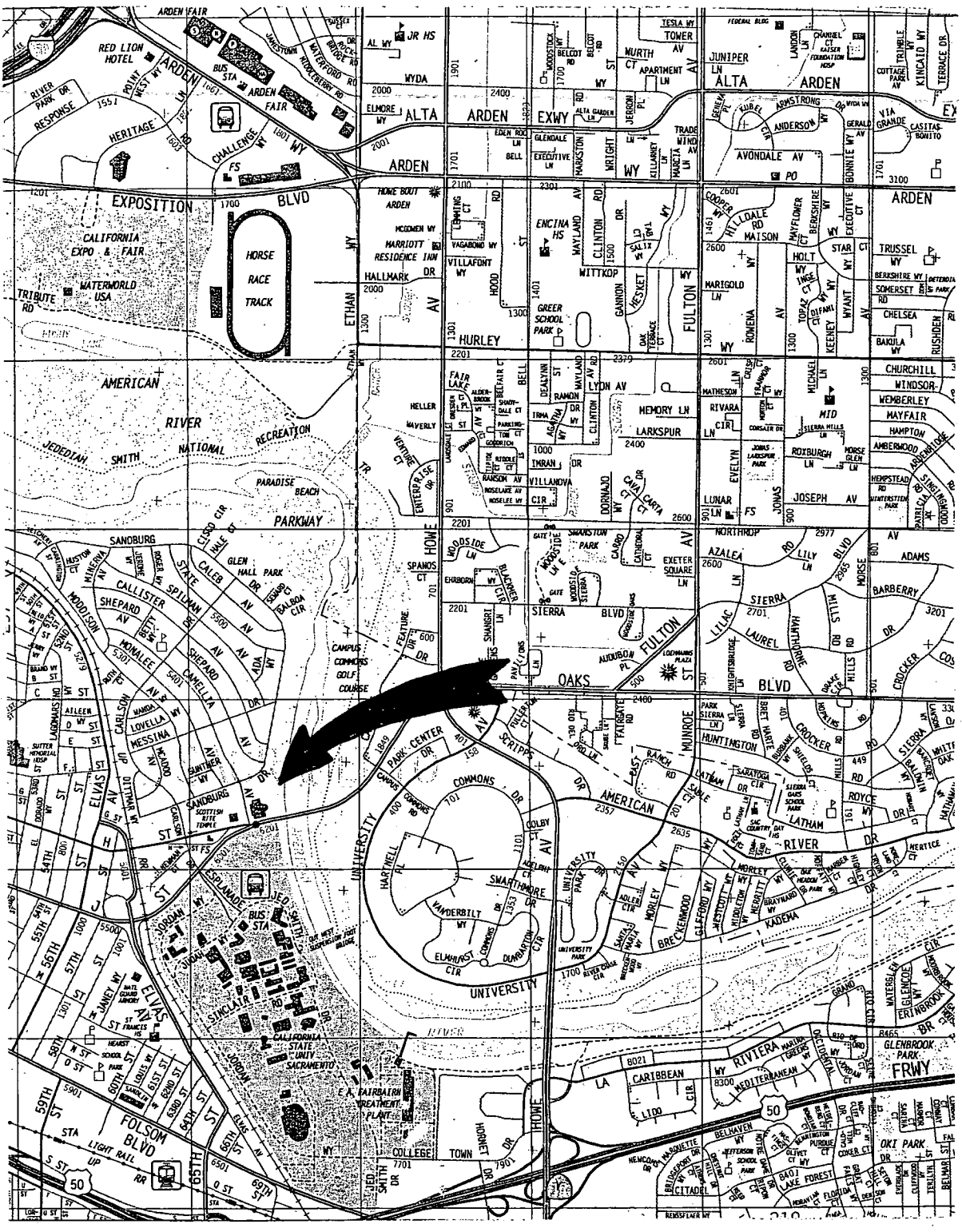


Robert P. Thomas
City Manager

APPROVED:



James G. Sequeira
Director of Utilities



LOCATION MAP



RESOLUTION NO. 2001-345

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION TO REJECT ALL BIDS FOR SUMP 155 TRASH RACKS AND FOREBAY IMPROVEMENTS (PN: WJ11)

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

The City Council hereby rejects all bids for the Sump 155 Trash Rack and Forebay Improvements (PN: WJ11).

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____