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DEPARTMENT OF
UTILITIES

ENGINEERING SERVICES

CITY OF SACRAMENTO
CALIFORNIA

5770 FREEPORT BLVD.
SUITE 100
SACRAMENTO, CA
95822-2911

September 29, 1995

PH 916-433-6318
FAX 916-433-6652

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: SEWER SERVICE LATERAL LINING PROJECT (P.N.: XF11) - CONTRACT AWARD TO GELCO SERVICES, INC. IN AN AMOUNT NOT TO EXCEED \$90,490 AND TO SIERRA NATIONAL CONSTRUCTION, INC. IN AN AMOUNT NOT TO EXCEED \$72,800.

LOCATION AND COUNCIL DISTRICT:

This project is located at various sewer service laterals within Districts 1, 2, and 3.

RECOMMENDATION:

Staff recommends the City Council accept the bid for Group A from Gelco Services, Inc. in an amount not to exceed \$90,490, accept the bid for Group B from Sierra National Construction Inc. in an amount not to exceed \$72,800, reject all bids for Groups C, D, and E, and award contracts.

CONTACT PERSON: Andrew A. Hunt, Senior Engineer, 433-6620

FOR COUNCIL MEETING OF: October 17, 1996

SUMMARY

The Sewer Service Lateral Lining Project is a pilot project. The intention is to study the lateral lining products available. Five sewer service lateral lining groups were advertised with approximately twenty-five laterals in each group. Contractors were allowed to bid on all five groups but could only be awarded one group so that the City could obtain experience with as many products as possible. Only two contractors bid the project. Bids were received and opened by the City Clerk on September 20, 1995. Gelco Services, Inc. was the low bidder for Group A at \$90,490, and Sierra National Construction, Inc. was the low bidder for Group B at \$72,800.



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Neither one of the two (2) bidders was either a MBE or a WBE firm. Gelco Services, Inc., will be using one WBE subcontractor amounting to \$21,420 (23.67%) WBE, a total of 23.67% of the contract. Sierra National Construction, Inc. will be using one MBE subcontractor and one WBE subcontractor amounting to \$9,000 (12.36%) MBE and \$3,000 (4.12%) WBE, or \$12,000 (16.48%) of the contract. Staff has confirmed the three minority and women owned business enterprises that contractors listed with their bids as City certified. Gelco Services, Inc. met the City's WBE participation goal and is entitled to a two percent price preference. Sierra National Construction, Inc. met the City's MBE participation goal and is also entitled to a two percent price preference.

Respectfully submitted,



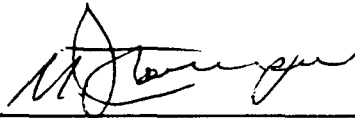
Gary A. Reents
Engineering Services Manager

RECOMMENDATION APPROVED:



William H. Edgar
City Manager

APPROVED:



for James G. Sequeira
Director of Utilities

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONTRACT WITH GELCO SERVICES, INC. AND WITH SIERRA NATIONAL CONSTRUCTION, INC. FOR THE SEWER SERVICE LATERAL LINING PROJECT (P.N.: XF11).

WHEREAS, the City of Sacramento has determined the need for the Sewer Service Lateral Lining Project (hereinafter called the "Project"), and has conditionally included the Project in the City of Sacramento Capital Improvement Program pending CEQA compliance, and

WHEREAS, the City of Sacramento has conducted an initial study to determine if the Project may have a significant effect on the environment, and

WHEREAS, the Initial Study concludes that there is no substantial evidence that the Project, or any of its aspects, may cause a significant effect on the environment and a Categorical Exemption is therefore appropriate, and

WHEREAS, the initial Study concluded that the Project involves no potential for any significant adverse effect, either individually or cumulatively on wildlife resources, and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. The City Manager and City Clerk are authorized to sign and execute a contract with Gelco Services, Inc. for the Sewer Service Lateral Lining Project (P.N.: XF11) in an amount not to exceed \$90,490.

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COMMITTEE/COMMISSION ACTION

None.

BACKGROUND INFORMATION

Deteriorating sewer service laterals were identified by the Field Services Division. The laterals shall be lined from the point of service directly behind the property line to the connection at the main. Cleanouts shall be upgraded to ABS material. Any disturbed landscaping features shall be restored to their previous or better condition.

	<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT- GROUP A</u>
1.	Gelco Services, Inc.	\$90,490
2.	Sierra National Construction, Inc.	\$103,740
	<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT- GROUP B</u>
1.	Sierra National Construction, Inc.	\$72,800
2.	Gelco Services, Inc.	\$90,490
	<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT- GROUP C</u>
1.	Sierra National Construction, Inc.	\$75,000
2.	Gelco Services, Inc.	\$87,125
	<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT- GROUP D</u>
1.	Sierra National Construction, Inc.	\$75,000
2.	Gelco Services, Inc.	\$87,125
	<u>CONTRACTOR</u>	<u>TOTAL BID AMOUNT- GROUP E</u>
1.	Sierra National Construction, Inc.	\$72,000
2.	Gelco Services, Inc.	\$83,760

The initial engineer's estimated construction cost was \$50,000 per group. The estimated project completion date is February 1, 1996.

Gelco Services, Inc. was the low bidder for Group A and shall be awarded a contract to line all laterals within this group. Gelco Services, Inc. met the WBE participation goal, did not meet the MBE participation goal, and submitted a complete Good Faith Effort. Sierra National Construction, Inc. was the remaining contractor and therefore was the only contractor eligible for award of Group B. Sierra National Construction, Inc. met the MBE participation goal, did not meet the WBE participation goal, and submitted a complete Good Faith Effort. Sierra National Construction Inc. shall be awarded a contract for Group B.

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ENVIRONMENTAL DETERMINATION

The Planning Services Division has prepared the environmental assessment for the project. The environmental review has resulted in categorical exemptions.

FINANCIAL CONSIDERATIONS

The revised total estimated project cost, including all project administration, design, construction, inspection, and related costs is \$220,000. The estimated cost to finish the project is \$200,000. The cost of both contracts is \$163,290. The unobligated balance in this project was \$483,436 as of September 27, 1995.

POLICY CONSIDERATIONS

This action is consistent with Chapter 58, Article III, Section 58.03.304 of the City Code, which provides that the City Council may award competitively bid contracts to the lowest responsible bidder or reject all bids.

MBE/WBE

This project included MBE/WBE participation goals of 10.57% MBE and 9.50% WBE, as required by Resolution No. 93-619, relating to MBE/WBE participation goals and policies adopted by the City Council on November 2, 1993. Award of contract is contingent upon the responsive low bidder either meeting the project MBE/WBE participation goals or making adequate good faith efforts towards meeting the project goals. Bids submitted which met or exceeded the MBE/WBE goals are eligible for bid price preference up to a maximum of 7% or \$25,000, whichever is lower.

The MBE/WBE participation achieved by the two bidders as identified in their bids is listed in the following table:

Bidder	Bid Amount	MBE		WBE		Bid Amount with Price Pref.	Good Faith Effort (GFE)
		\$	%	\$	%		
Gelco Services, Inc.	\$90,490	\$0	0.00%	\$21,420	23.67%	\$88,680	Did Not Meet Goals/GFE Satisfactory
Sierra National Construction, Inc.	\$72,800	\$9,000	12.36%	\$3,000	4.12%	\$71,344	Did Not Meet Goals/GFE Satisfactory

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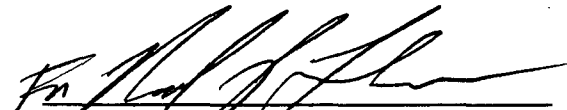
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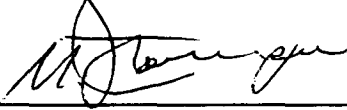


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2. The City Manager and City Clerk are authorized to sign and execute a contract with Sierra National Construction, Inc. for the Sewer Service Lateral Lining Project (PN: XF11) Group B in an amount not to exceed \$72,800.

3. The City Manager and City Clerk are authorized to reject all bids for Group C, D, and E for the Sewer Service Lateral Lining Project (PN: XF11).

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

