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DEPARTMENT OF
PUBLIC WORKS

ENGINEERING DIVISION

CITY OF SACRAMENTO
CALIFORNIA

927 TENTH STREET
ROOM 200
SACRAMENTO, CA
95814-2700

PH 916-264-7120
FAX 916-264-7903

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

PH 916-264-5282
FAX 916-264-7276

April 1, 1993

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: ALTOS AVENUE STREET RECONSTRUCTION (PN:TG16) - CONTRACT AWARD AND
FUND TRANSFER OF \$199,500

LOCATION/COUNCIL DISTRICT: Altos Avenue between Arcade Creek and Interstate 80
District No. 2

RECOMMENDATION:

This report recommends that the City Council accept the low bid of Teichert Construction in the amount of \$693,455.40, and award the contract. Additionally this report recommends the adoption of an attached resolution authorizing transfer of \$199,500 to this project.

CONTACT PERSON: N. Dee Lewis, Acting Engineering Division Manager, 264-7130

FOR COUNCIL MEETING OF: April 13, 1993

SUMMARY:

This is a Sacramento Housing and Redevelopment Agency (SHRA) project that will construct street improvements on Altos Avenue between Arcade Creek and Interstate 80. Improvements will include curb, gutter, sidewalk, drainage, pavement, and street lighting. The project is partially funded with Federal Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funds administered through SHRA. The project included M/WBE participation goals of 20% MBE and 5% WBE. The low bidder, Teichert Construction, submitted a bid indicating a 2.5% MBE and a 3.3% WBE participation on the project. Teichert submitted Documentation of Good Faith efforts made to attempt to achieve the project M/WBE goals.



City Council
Altos Avenue Street Reconstruction (PN:TG16)
April 1, 1993

This project has been advertised and bids have been received. This report recommends the City Council accept the low bid of Teichert Construction in the amount of \$693,455.40, and award the contract. Additionally this report recommends that adoption of an attached resolution authorizing transfer of \$199,500 to this project.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

Altos Avenue, between Arcade Creek and Interstate 80 has been identified by the Sacramento Housing and Redevelopment Agency (SHRA) to be in need of full street improvements. This segment of Altos Avenue encompasses a length of nearly a mile, (5,000 feet). The street runs parallel and directly adjacent to the Sacramento Northern Railroad Bikeway, a 100 foot-wide landscaped right-of-way. The street right-of-way is 120 feet wide. Curb, gutter, sidewalk, and street lighting are in place and in good condition along a portion (approx. 2,500 feet) of the west right-of-way, between South Avenue and Williams Avenue.

The reconstruction of Altos Avenue, between Arcade Creek and Williams Avenue, will include curb, gutter, sidewalk, drainage, pavement, and street lighting improvements. Vertical curb and gutters will be installed to prevent vehicles from driving or parking on the bikeway. The right-of-way between the proposed east curb of Altos Avenue and the west side of the existing landscaped parkway will be graded under this contract and landscaped under a separate contract. Future landscaping improvements will include irrigation, trees and hydroseeding. The landscaping will be performed under a separate contract that will be bid out later this year.

The proposed project street, lighting, and drainage improvements will increase pedestrian and vehicular safety in the neighborhood.

On February 9, 1993, the City Council approved the plans and specifications for the Altos Avenue Street Reconstruction project. Bids were received and opened by the City Clerk on March 10, 1993. The bids received were:

Teichert Construction	\$693,455.50
Stow Construction Inc.	\$693,759.75
Western Engineering Contractors	\$706,444.95
Delta Construction Co., Inc.	\$707,013.50
Granite Construction Co.	\$723,122.00
R.G.W. Construction, Inc.	\$728,299.25
R.C. Collet, Inc.	\$746,216.95
Lund Construction Co.	\$799,870.00

The estimated project completion date is September 30, 1993.

City Council
 Altos Avenue Street Reconstruction (PN:TG16)
 April 1, 1993

FINANCIAL CONSIDERATIONS

The engineer's estimated construction cost was \$795,000.

The current estimated total project cost, including all planning, design and construction costs, is \$877,300. The current budget is \$746,755, which was approved in the Capital Improvement Program from the Sacramento Housing and Redevelopment Agency Block Grant fund (205) and \$273,240 from the SHRA fund (206). Additional funding recommendations are listed on the following table:

Fund Source	Fund No.	Amount	Purpose
CDBG fund	(205)	\$163,000	Street improvements, landscaping. Sacramento Northern Bikeway const. Pipe sewer, maintenance hole, sewer service.
Bikeway fund (PN:HA16)	(235)	\$ 14,500	
Misc. Sewer Improvements (PN:XB16)	(414)	\$ 22,000	
Total transfer		\$199,500	
Current budget		\$746,755	
Total project cost estimate		(\$877,300)	
Balance		\$ 68,955	

The estimated \$68,955 balance shown in the previous table will be used for landscaping on the bikeway along Altos Avenue. The landscaping will be performed under a separate contract that will be bid out later this year.

As of April 1, 1993 the Miscellaneous Sewer Improvement project (414-500-XB16-4820) had a balance of \$24,485; the Sacramento Northern Bikeway project (235-500-HA16-4820) had a balance of \$156,630.

On November 17, 1992, the City Council approved Resolution 92-852 (attached) which included the amendment of the 1993 CDBG program budget and included the approval to transfer \$163,000 to the Altos Avenue Street Improvement Project (PN:TG16).

POLICY CONSIDERATIONS:

This action is consistent with Chapter 58, Article III, Section 58.304 of the City Code concerning award of contracts, and City Code Chapter 64, Article II, Section 64.208 which governs amendments to the city budget.

City Council
Altos Avenue Street Reconstruction (PN:TG16)
April 1, 1993

MBE/WBE:

This project was partially funded with Federal Department of Housing and Urban Development (HUD) Community Development block Grant (CDBG) funds administered through SHRA. The project includes M/WBE participation goals of 20% MBE and 5% WBE. Additionally, bid specifications required that bidders make and document Good Faith Efforts to achieve the project M/WBE goals. Award of contract is contingent upon the responsive low bidder either meeting the project M/WBE participation goals or making adequate Good Faith Effort to meet the goals.

The low bidder, Teichert Construction, submitted Good Faith Effort documentation of actions taken to meet the project M/WBE goals, but did not meet the goals. Teichert submitted a bid with a designation of subcontractors form indicating 2.5% MBE and 3.3% WBE participation. The Good Faith Effort documentation submitted by Teichert Construction was verified by SHRA staff. Good Faith Efforts taken by Teichert Construction included advertisements in trade papers, direct mail solicitations for subbids from M/WBE's with phone follow-ups, provided free access to plans and specifications to M/WBE's interested in quoting a subbid, offered to pay the premium of any subcontract payment and performance bonds. Teichert Construction is not a M/WBE.

The second low bidder Stow Construction submitted a bid indicating 18% MBE and 7% WBE participation. Stow Construction is not a M/WBE. Stow Construction submitted Good Faith Effort documentation that was also verified by SHRA Staff.

Although the low bidder Teichert Construction did not meet the M/WBE participation goals for the project, they did fulfill the Good Faith Effort requirements called for in the bid specifications. Additionally, Teichert Construction submitted a hiring plan for the project as required by Section 3 of the Federal Housing and Urban Development Act of 1968, as amended and incorporated into the bid specifications. In their hiring plan Teichert has committed to hire two watchmen and a project liaison officer from the project neighborhood. Section 3 also requires that 51% of all workers on the project live in the project target area, and requires that contractors send a notice to labor organizations or representatives of workers with which they have a collective bargaining agreement, advising the said labor organization of the contractual requirements of Section 3. The project target area is identified as the Sacramento Metropolitan Statistical Area.

Teichert Construction is also signatory to the City of Sacramento's Affirmative Action program for City of Sacramento construction projects. The City of Sacramento's Affirmative Action Program's current goals for utilization of minorities and woman in the construction trades on City of Sacramento construction projects is 20% minority and 6.9% women. The County of Sacramento prepares a quarterly report that identifies all construction workforce hours reported by contractors with County, City and SHRA construction contracts. The workforce hours are reported by ethnicity, race and gender. The latest quarter report (October through December 1992) prepared by the County of Sacramento shows that

City Council
Altos Avenue Street Reconstruction (PN:TG16)
April 1, 1993

Teichert reported 143,420 hours worked in the construction trades in the Sacramento area during the quarter. 51,033 (36.2%) of the 143,420 hours were reported worked by minorities. 3,093 (2.2%) of the 143,420 hours were reported worked by females.

In Summary, although Teichert Construction did not meet the goals set for the project for M/WBE participation, Teichert did fulfill the Good Faith Effort requirements of the project. Additionally, Teichert Construction has committed to hire project area residents for positions on the project. Teichert Construction also has achieved almost double the percentage goal for utilization of minorities in the construction trades locally. Teichert has listed six M/WBE firms that will be used on the project, four of which are located in the City or County of Sacramento. Although the bid specifications did not contain any local business enterprise requirements, Teichert is a local business and six of its nine listed subcontractors are located in the City or County of Sacramento. Staff therefore recommends that the City Council accept the low bid of Teichert Construction and award the contract.

The City Attorney's Office and the SHRA attorney's office have assisted with this report and accept staff's recommendations.

None of the 8 bids received were submitted by M/WBE firms.

Plans and specifications were sent to twenty (20) plan rooms and construction service organizations for publication and use by the construction industry of Northern California. There are four (4) organizations on the distribution list that are directly involved with outreach to MBE/WBE contractors.

Respectfully Submitted:



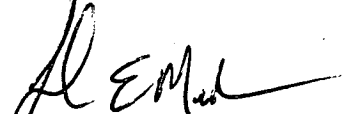
N. DEE LEWIS
Acting Engineering Division Manager

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR
City Manager

APPROVED:



JOHN E. MEDINA
Director of Public Works

FB:jd
EA1-03.F
04.0193.1

Attachment

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION APPROVING THE TRANSFER OF \$199,500 TO THE ALTOS AVENUE STREET RECONSTRUCTION PROJECT (PN:TG16)

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The 1992/93 Capital Improvement Program is hereby amended by appropriating and transferring \$166,000 from the SHRA/CDBG fund (205) to the Altos Avenue Street Reconstruction project (205-500-TG16-4820).
2. The 1992/93 Capital Improvement Program is hereby amended by appropriating and transferring \$22,000 from the Miscellaneous Sewer Improvements project (414-500-XB16-4820) to the Altos Avenue Street Reconstruction project (414-500-TG16-4820).
3. The 1992/93 Capital Improvement Program is hereby amended by appropriating and transferring \$14,500 from the Sacramento Northern Bikeway project (235-500-HA16-4820) to the Altos Avenue Street Reconstruction project (235-500-TG16-4820).

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

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EA1-03.F

RESOLUTION NO.: _____

DATE ADOPTED: _____

(b) to amend the 1993 CDBG Contingency to the extent that such CDBG funds received are greater or lesser than estimated in the Application's projected use of funds;

(c) to enter into contracts with those subrecipients who will complete the projects and programs listed in the approved Application;

(d) to amend the CDBG Program budget in accordance with Attachment I attached hereto; and

(e) to execute necessary contracts and memoranda of understanding when CDBG-funded agencies are awarded City General Funds.

Section 5: In the event that the HUD CDBG grant exceeds the amount requested in the Application, the Agency will seek authorization in the future to amend the Application to allocate the additional proceeds to the extent possible in the following priority:

(a) Increase Capital Improvements allocations by an amount not to exceed \$265,000 for public housing rehabilitation;

(b) Increase Public Services and Administrative allocations by amount pursuant to the 1993 approved Agency budget; and

(c) Increase the allocation to CDBG Contingency by an amount equal to the unallocated balance of the HUD CDBG grant increase.

ANNE RUDIN

MAYOR

ATTEST:

VALERIE BURROWES

CITY CLERK

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: 92-852

DATE ADOPTED: NOV 17 1992 9

APPROVED APPLICATION

ATTACHMENT 1
CITY OF SACRAMENTO
1993 PROJECTED USE OF FUNDS
TARGET AREA CAPITAL IMPROVEMENTS

I. EAST DEL PASO HEIGHTS

Street Improvements #6C	\$ 160,000	
Street Improvements #7 (*)	110,000	110,000*
Street Improvements #9	190,000	
Street Improvements #10 (*)	96,000	96,000*
Street Improvements #11	9,000	
Castori School Auditorium (*)	<u>75,000</u>	75,000*
TOTAL	\$ 640,000	

II. DEL PASO HEIGHTS

Altos Avenue Street Improvements Project Ph. II	\$ <u>163,000</u>	
TOTAL	\$ 163,000	

III. GARDENLAND/NORALTO

Johnson Park Headstart Center (*)	\$ <u>350,000</u>	119,000*
TOTAL	\$ 350,000	

IV. CITYWIDE PROJECTS

Homeless Inebriate Center (*)	\$ 100,000	<u>\$100,000*</u>
Family Demonstration Project (*)		500,000*
TOTAL	\$ 100,000	

TOTAL ALL AREAS \$1,253,000

* A float loan is established to provide short term financing for the Family Demonstration Project. Funds from East Del Paso Heights (\$281,000), Noralto (\$119,000), and the Homeless Inebriate Facility (\$100,000) will be borrowed by the Family Demonstration Project. The \$500,000 loan will be repaid no later than October 1, 1993.

