City of Sacramento City Council - 5PM Report 915 I Street Sacramento, CA 95814

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File ID: 2025-00813 4/8/2025 Item 7.

Suspension of Competitive Bidding: North Sacramento-Hagginwood Library (NSHL) Relocation Project (C15000850) [Two-Thirds Vote Required]

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Location: 1124 Del Paso Boulevard, District 2

Recommendation: Pass a **Motion** by two-thirds vote per City Code Section 3.56.230(E) suspending competitive bidding, in the best interests of the City, to utilize a two-step process authorizing the use of the Request for Qualifications (RFQ) to pre-qualify construction firms based on their experience, expertise, and capacity to complete the project followed by an Invitation for Bid (IFB) to solicit bids exclusively from the pre-qualified firms to ensure the selection of the most qualified contractor at the lowest competitive price for construction of the North Sacramento-Hagginwood Library (NSHL) Relocation Project (C15000850).

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Presenter: None

Attachments:

1-Description/Analysis

Description/Analysis

Issue Detail: The North Sacramento-Hagginwood Library (NSHL) was established in 1987 through the merger of the North Sacramento and Hagginwood branches. The current facility, a leased 4,000-square-foot space, is outdated and requires significant repairs. It no longer meets the operational needs of the library or the expectations of the community for a modern library facility.

To address these challenges, the library is planning to relocate to the former News & Review building, a single-story 19,000-square-foot facility. This relocation will significantly enhance library services, allowing for an expanded range of community programs, including children's story time, computer classes, and job search assistance.

The City purchased the News & Review building in 2019 with the goal of transforming it into a new

library branch, increasing both service capacity and community outreach. In partnership with the Sacramento Library Authority, the City successfully secured funding through the state's Building Forward Grant, which provides financial support for essential renovations alongside local funding commitments.

The City was awarded \$7,245,240 in state grant funding for the NSHL Relocation Project, with a completion deadline of June 2027, requiring construction to commence in 2025.

Policy Considerations: The recommendations contained in this report are consistent with City Code Section 3.56.230(E) allowing the City Council to suspend competitive bidding to utilize an alternative method for a contract upon a two-thirds vote when City Council determines that it is in the best interest of the City to suspend the competitive bidding requirements.

Economic Impacts: None.

Environmental Considerations: California Environmental Quality Act (CEQA): The action is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15301. The action involves the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, or mechanical equipment, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The exemption covers interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances; and similar facilities; restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as earthquake, landslide, or flood. The project qualifies for a Categorical Exemption under Article 19 of CEQA Guidelines Section 15301, existing facilities. No environmental review is necessary, and a Notice of Exemption (NOE) will be filed prior to the start of construction.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: City staff recommend suspending the traditional competitive bidding process for the construction of the NSHL Relocation Project in favor of a two-step procurement method. This approach would involve:

- 1. Request for Qualifications (RFQ): Pre-qualifying construction firms based on their experience, expertise, and capacity to complete the project.
- 2. Invitation for Bid (IFB): Soliciting bids exclusively from the pre-qualified firms to ensure the selection of the most qualified contractor at the lowest competitive price.

This RFQ/IFB process ensures that the project is awarded to a contractor with the necessary experience and capability to handle the complexities of the renovation while maintaining cost efficiency.

The NSHL Relocation Project involves transforming the aging News & Review building from office space into a modern library. This renovation presents significant, complex and unusual challenges, including structural and seismic modifications to meet safety and code requirements, upgrades to electrical, lighting, plumbing, fire sprinkler, fire alarm, and security systems to bring the facility up to current standards, and architectural enhancements to support library functions and community needs.

Given the complexity of the work, securing a highly qualified contractor with a proven track record in similar renovation projects is critical to ensuring a high-quality facility that meets City, Library, and community expectations, and adheres to the construction schedule required by grant funding deadlines.

By implementing the RFQ/IFB process, the City can balance quality and cost-effectiveness, ensuring that only the most capable contractors compete for the project while still securing the lowest bid among them. City staff recommend this approach to enhance project success and maximize public investment.

To meet the grant deadlines and retain the awarded funding for the (NSLR) Relocation Project, construction should start by the end of the calendar year 2025. It is paramount to the success of the project to contract with a qualified and experienced contractor that is capable to complete the project within the allocated timeframe and purchase equipment in order to avoid delays to construction. Any delay in project delivery could result in forfeiture of state grant funding.

Staff will return to City Council for approval of the construction contract.

Financial Considerations: The total cost for the NSLR is estimated to be approximately \$14.2 million. The City has \$7,245,242 in state grant funds for this project. In addition, on February 4, 2025, the City Council adopted Resolution 2025-0028 approving a finance plan for the NSLR that includes use of up to \$4 million in Measure U Funding that is normally provided directly to the library and reassigning available balances in citywide projects identified through the budget evaluation process.

Local Business Enterprise (LBE): Not applicable