



CITY OF SACRAMENTO

DEPARTMENT OF PUBLIC WORKS

31

ENGINEERING DIVISION

August 26, 1986

City Council
Sacramento, California

Honorable Members In Session:

SUBJECT: 10th - 11th Avenues Sewer Restoration - Phase 2 (PN:XA96/XB11) - Bid Rejection, Fund Transfer and Negotiated Contract Award

SUMMARY

This project has been advertised for bids. One bid was received. Rejection of the bid, transfer of funds and award of a negotiated contract is recommended.

BACKGROUND

On June 24, 1986 the City Council approved plans and specifications for this project. Bids were received and opened by the City Clerk on July 22, 1986. One bid was received:

Gelco Insituform, Inc.	\$411,718
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The engineer's estimated construction cost was \$278,500.

This project is Phase 2 of a project to replace a badly deteriorated combination sewer/storm drain line between Land Park Drive and 19th Street. The line is located adjacent to the rear lot lines of well landscaped yards and is approximately ten feet deep. The most recent video tapes taken of the sewer indicate that the line has deteriorated significantly over the past few months and is in danger of collapsing at various locations.

A project to repair the length of sewer between Land Park Drive and 17th Street was initially bid in 1985. No bids were received. The City subsequently awarded a modified drainage outfall project between Land Park Drive and 17th Street to allow for increased drainage capacity in the system. Plans for the current project were prepared with three alternative construction methods and extended the sewer restoration work to 19th Street.

The bid received from Gelco Insituform, Inc. includes a bid item for removing and replacing portions of collapsed sewer at \$760 per foot. Based on current evaluations of the system, this could raise the construction price based on their bid to as high as \$940,000, which is excessive.

APPROVED
BY THE CITY COUNCIL

AUG 26 1986

OFFICE OF THE
CITY CLERK

THOMAS M. FINLEY
Engineering Division Manager

CITY MANAGER'S OFFICE
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Because of the urgency of the situation, negotiations with Gelco Insituform, Inc. were initiated to reach a mutually satisfactory solution to the problem area. The resulting proposal to accomplish all of the work required, based on the evidence of the latest video inspection tapes, is for a not-to-exceed price of \$390,788.

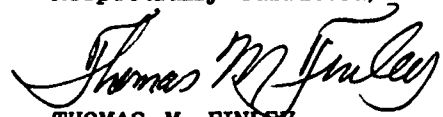
FINANCIAL

Additional funds are needed for this project. The estimated total project cost, including all planning, design and construction costs for this project and the Phase I portion, is \$575,000. The current budget is \$490,000, which was approved in the Capital Improvement Program from Sewer Funds. It is proposed that the needed \$85,000 be transferred to this project, with \$42,500 coming from the Miscellaneous Drainage Improvements account (WA51) and \$42,500 from the Miscellaneous Sewer Improvements account (XB16). Each of these accounts contain sufficient approved and appropriated funds to support the transfer.

RECOMMENDATION

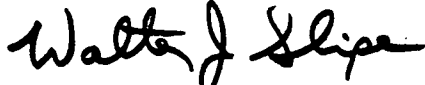
It is recommended that the City Council reject the original bid of Gelco Insituform, Inc. in the amount of \$411,718, approve the transfer of funds by passage of the attached resolution, accept the negotiated bid of Gelco Insituform, Inc. in the amount of \$390,788 and award the contract.

Respectfully submitted,



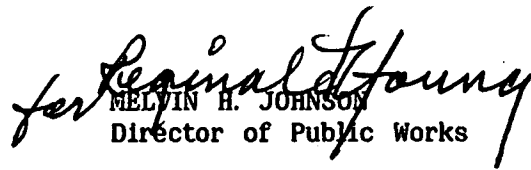
THOMAS M. FINLEY
Engineering Division Manager

Recommendation Approved:



WALTER J. SLIPE
City Manager

Approved:



MELVIN H. JOHNSON
Director of Public Works

GDC:vr
ED2-26.wp(B)
08.1986

August 26, 1986
District No. 4

RESOLUTION NO. 86-675

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

APPROVED
BY THE CITY COUNCIL

AUG 20 1986

OFFICE OF THE
CITY CLERK

RESOLUTION TRANSFERRING FUNDS FOR 10TH - 11TH AVENUES SEWER RESTORATION PROJECT

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

1. A bid has been received for the 10th - 11th Avenues Sewer Restoration project and funds are needed to award the contract.
2. The Capital Improvement Program is hereby amended by transferring \$42,500 from the Miscellaneous Sewer Improvements account (414-500-XB16-4820) to the 10th - 11th Avenues Sewer Reconstruction project (414-500-XA96-4820) for the purpose stated in paragraph one above.
3. The Capital Improvement Program is further amended by transferring \$42,500 from the Miscellaneous Drainage Improvements account (425-500-WA51-4820) to the 10th - 11th Avenues Sewer Reconstruction project (425-500-XA96-4820) for the purpose stated in paragraph one above.

MAYOR

ATTEST:

CITY CLERK