



CITY OF SACRAMENTO

DEPARTMENT OF ENGINEERING
915 I STREET SACRAMENTO, CALIFORNIA 95814
CITY HALL ROOM 207 TELEPHONE (916) 449-5281

CITY MANAGER'S OFFICE
RECEIVED
NOV 10 1981

R. H. PARKER
CITY ENGINEER
J. F. VAROZZA
ASSISTANT CITY ENGINEER

November 10, 1981

City Council and Parking Authority
Sacramento, California

SUBJECT: Access and Revenue Control Project - Recommendation for annulment of contract award to low bidder and award to second lowest bidder.

SUMMARY

This report recommends annulment of the contract award to ERI-Alton, the low bidder for the project, on the basis that this firm failed to execute the contract and furnish bonds as required. It is recommended that the contract be awarded to the next lowest bidder, Collins Electrical Co., Inc.

BACKGROUND INFORMATION

This project, as part of the City's Capital Improvement Program, was advertized for bids on July 8, 1981. A total of six bids were received on the bid due date of August 25, 1981. The bids were as follows:

<u>Contractor</u>	<u>Total</u>	<u>SHRA Facilities</u>	<u>Parking Authority Facilities</u>
Eri Alton	\$669,000.00	\$354,570.00	\$314,430.00
Collins Electric Co.	672,000.00	388,000.00	284,000.00
H. F. Schetter	675,012.00	368,000.00	307,012.00
Jensen Electric, Inc.	687,610.00	395,240.00	292,370.00
Communi-Cable Co. Div.	699,500.00	414,889.50	284,610.50
Rugen Construction Co.	862,452.00	553,877.00	308,575.00

On October 13, 1981, the Council awarded the contract to the low bidder, ERI-Alton, as recommended by the City Engineer. ERI has notified the City by letter of November 3, 1981, (attached) that it will not enter into the contract due to financial problems.

The next lowest bid for this project was submitted by Collins Electric, Inc., in the amount of \$672,000. (\$3,000 above the low bid from ERI-Alton). Collins Electrical, Inc. has been contacted and it has been confirmed that it will accept award of the contract.

APPROVED
BY THE CITY COUNCIL

NOV 17 1981

OFFICE OF THE
CITY CLERK

November 10, 1981

FINANCIAL DATA

This is actually two projects combined for the purpose of expedience. One project is for Revenue Control Systems in Parking Facilities owned by SHRA (lots K, O and R). The other project is for Revenue Control Systems in Parking Facilities owned by the Parking Authority (Lots A, B and H).

By letter agreement of February 19, 1981, SHRA has authorized \$423,000 for this project. There was \$232,055 appropriated from the Parking Authority from two years ago when the Council approved this project for the City's Capital Improvement Program. The low bid from ERI-Alton varied with budgeted funds as follows:

	<u>SHRA</u>	<u>Parking Authority</u>
Original Appropriations	\$423,000	\$232,055
Low Bid* (ERI-Alton)	373,000	330,155
Variance	+50,000	-98,100

* 5% added to include engineering and contingencies.

The next lowest bid, from Collins Electric, requires \$32,000 less than what was appropriated for the Parking Authority's part of the project and \$35,000 more than what was appropriated for SHRA's part of the project, as shown in the following tabulation:

	<u>SHRA</u>	<u>Parking Authority</u>
Funds Now Appropriated	\$373,000	\$330,155
Next Lowest Bid* (Collins Elect.)	407,400	298,200
Adjustments required	-34,400	+31,955

* 5% added to include engineering and contingencies.

A total of \$3,000 will be withheld from the corporate surety bond submitted by the low bidder in order to compensate for the overall difference in the low bid and next to lowest bid.

RECOMMENDATION

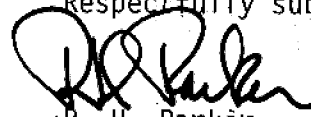
The City Engineer recommends the following:

1. That the attached Resolution annulling the contract award to ERI-Alton and awarding same to Collins Electrical Co., Inc. be adopted.
2. That the City Council adopt the attached resolution, repealing Resolution No. CC 81-744, and appropriating \$407,400 from the Housing and Redevelopment Capital Improvement Fund.
3. That the Parking Authority adopt the attached Resolution, repealing Resolution No. PA 81-002, and appropriating \$66,145 for this project out of the Parking Authority Fund.

Recommendation Approved:


 Walter J. Slife, City Manager

Respectfully submitted,


 R. H. Parker
 City Engineer

November 17, 1981
 All Districts

81-003
~~81-002~~

17

RESOLUTION NO.

ADOPTED BY SACRAMENTO PARKING AUTHORITY ON DATE OF

RESOLUTION REPEALING RESOLUTION NO. PA 81-002 AND
APPROPRIATING AN ADDITIONAL \$66,145 OUT OF THE PARKING
AUTHORITY FUND BALANCE TO THE PARKING FACILITIES
REVENUE CONTROL PROJECT.

BE IT RESOLVED BY THE PARKING AUTHORITY OF THE CITY OF SACRAMENTO:

1. Bids have been received for the City's Revenue Control Project and it is necessary to re-appropriate funds for those parking facilities in the project that are owned by the Parking Authority because the contract award to the low bidder, ERI-Alton, has been annulled.
2. Resolution No. PA 81-002, which had appropriated \$98,100 out of the Unappropriated Parking Authority Fund balance for this project, is hereby repealed.
3. The City Budget for the 1981-1982 Fiscal Year is hereby amended by transferring \$66,145 out of the Unappropriated Parking Fund Balance to the Access and Revenue Control Project (9-28-3120-1338-4820) in order ✓ to award the contract to the next lowest bidder, Collins Electric Company, Inc.

CHAIRMAN

ATTEST:

SECRETARY

APPROVED
BY THE CITY COUNCIL

NOV 17 1981

OFFICE OF THE
CITY CLERK

17

81-8 5/89

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION REPEALING RESOLUTION NO. CC 81-744, AND APPROPRIATING \$407,400 FROM THE HOUSING AND REDEVELOPMENT CAPITAL IMPROVEMENT FUNDS FOR THE PARKING FACILITIES ACCESS AND REVENUE CONTROL PROJECT.

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

1. Bids have been received for the City's Revenue Control Project and it is necessary to re-appropriate funds for those Parking Facilities in the project that are owned by the SHRA because the contract award to the lowest bidder, ERI-Alton, has been annulled.
2. Resolution No. CC 81-744, which had appropriated \$373,000 out of the Housing and Redevelopment Capital Improvement Fund for this project, is hereby repealed.
3. The City Budget for the 1981-1982 Fiscal Year, is hereby ammended by appropriating \$407,400 from the Housing and Redevelopment Agency's Parking Fund Balance to the City Engineer's Budget (2-06-2600-2719-4820) in order to award the contract to the next lowest bidder, Collins Electric Company, Inc.

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

NOV 17 1981

OFFICE OF THE
CITY CLERK

17

81-8510

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION ANNULLING AWARD OF ACCESS AND REVENUE CONTROL SYSTEMS CONTRACT TO ERI-ALTON AND AWARDING SAME TO COLLINS ELECTRIC COMPANY, INC.

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

WHEREAS, on October 13, 1981, the City Council awarded the Access and Revenue Control System contract to ERI-Alton:

WHEREAS, ERI-Alton has failed to execute the contract and furnish bonds as required by the bid documents;

WHEREAS, Collins Electric Company, Inc., is the second lowest responsible bidder;

Therefore be it resolved;

the award of the Access and Revenue Control System contract made October 13, 1981, is hereby annulled;

FURTHER RESOLVED, the Access and Revenue Control System contract is awarded to Collins Electric Company, Inc. in the sum of \$672,000.;

FURTHER RESOLVED, the City Manager and the City Clerk are authorized and directed to execute a contract for the Access and Revenue Control System with Collins Electric Company, Inc. in the sum of \$672,000.

MAYOR

ATTEST:

APPROVED
BY THE CITY COUNCIL

NOV 17 1981

CITY CLERK

OFFICE OF THE
CITY CLERK



ERI-ALTON

FACILITY CONTROL SYSTEMS
LICENSE 405094

11241 COLOMA ROAD / RANCHO CORDOVA / CA 95670

(916) 635-3377

November 6, 1981

Ron Parker
City Engineer
CITY HALL
915 "I" Street
Sacramento, California 95814

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TRAFFIC ENGINEERING DIV.

10:02 AM

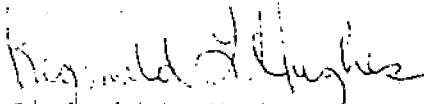
Dear Mr. Parker:

I am writing to you at the request of Mark Morgan, Sacramento City Parking Manager.

Due to economic circumstances, it would be unwise for ERI-Alton to go forward with the access and revenue control systems contract (Project No. C.C.1338). Hence, we will not be furnishing you with signed copies of the contract and surety bonds.

We understand you will be awarding the contract to the second lowest bidder, Collins Electric. We support your decision.

Sincerely,


Reginald L. Hughes
President

cc: Mark Morgan ✓