



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

CONSENT  
August12, 2008

Honorable Mayor and  
Members of the City Council

**Title: Agreement: Collapsing/Demolition of Immediately Dangerous Building Services**

**Location/Council District:** Citywide

**Recommendation:** Adopt a **Resolution** 1) suspending competitive bidding in the best interests of the City for collapsing/demolition of dangerous buildings services; 2) authorizing the City Manager to execute Master Services Agreements (MSA), each MSA for a three year period, with Advantage Demolition & Engineering in the annual Not To Exceed (NTE) amount of \$100,000 for Collapsing/Demolition of Immediately Dangerous Building Services; Evans Brothers, Incorporated in the annual NTE amount of \$100,000 for Collapsing/Demolition of Immediately Dangerous Building Services; and G. W. Demolition in the annual NTE amount of \$100,000 for Collapsing/Demolition of Immediately Dangerous Building Services; 3) authorizing the City Manager to execute one year extensions for each MSA for the same yearly NTE amount as provided above for a total agreement term for each MSA not to exceed three years (including the initial term and extensions), provided that sufficient funds are available in the budget adopted for the applicable Fiscal Year; and 4) rejecting all prior bids submitted in December 2007.

**Contact:** Ron O'Connor, Operations Manager, (916) 808-8183

**Presenter:** Not Applicable

**Department:** Code Enforcement Department

**Divisions:** Housing and Dangerous Buildings

**Organization Nos:** 20001311

### Description/Analysis

**Issue:** The City Code requires contracts of \$100,000 or more to be formally bid prior to awarding these contracts. The Code Enforcement Department routinely contracts out this service in order to maintain and protect the public health and safety when property owners are unable to comply with the applicable codes in a timely, safe and satisfactory manner. The initial bids for this service (in December, 2007) were rejected by staff due to insufficient information provided by the City regarding multiple awards and pricing criteria. The multi-award

contract was again formally bid on April 9, 2008 on Bid No. B081181059 for the NTE annual total amount of \$300,000 (3 awards of NTE \$100,000 each annually) for a period not to exceed three (3) years from date of the award. The City received four bid responses. Following an analysis of the bids based on the lowest daytime hourly rates, the master service agreements were awarded to three contractors: 1) Advantage Demolition & Engineering, 2) Evans Brothers, Incorporated, and 3) G. W. Demolition.

**Policy Considerations:** The recommendations in this report are in accordance with the provisions of City Code Section 3.56.

**Committee/Commission Action:** None

**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) Guidelines, administration of a Master Services Agreement does not constitute a project and is therefore exempt from review.

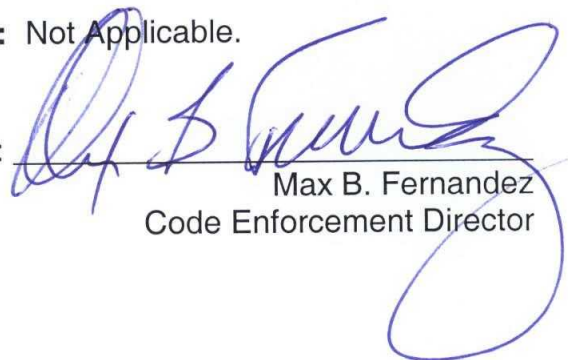
**Sustainability Considerations:** There are no applicable sustainability considerations.

**Rationale for Recommendation:** Formal bids for this non-professional service were solicited, and of the bids received, the three lowest bidders were: Advantage Demolition & Engineering, Evans Brothers Incorporated, and G. W. Demolition. The use of these three contractors on a rotation list will enable the department to provide remediation to dangerous buildings according to building, health and safety codes.

**Financial Considerations:** The Code Enforcement Department operating budget will fund these MSA agreements. Cost recovery for collapsing/demolition services is accomplished by: (1) invoicing the property owners; and/or (2) demands to title companies during escrow (sales/transfers of properties); and/or (3) liens placed on the property.

**Emerging Small Business Development (ESBD):** Not Applicable.

Respectfully Submitted by:



Max B. Fernandez  
Code Enforcement Director

Recommendation Approved:

  
Ray Kerridge  
City Manager

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**Attachment 1****BACKGROUND**

During fiscal year 2007, there were 9 demolitions performed by the G. W. Demolition Company, 2 demolitions performed by P & P Building and Wrecking, Incorporated, 1 demolition performed by the Advantage Demolition Company, and 2 demolitions performed by the Delta Oil Field Services, Incorporated for a total of 14 demolitions at a total cost of \$219,516.74. During fiscal year 2008, there were 4 demolitions all performed by the G. W. Demolition Company for a total cost of \$47,130. As the need for this service continues, the Code Enforcement Department and Procurement Services Department performed a formal bid solicitation on-line as well as outreach by mail and phone contact. A Request for Qualifications (RFQ) was advertised on the City of Sacramento public website in "Contracting Opportunities," and four contractors submitted bids for the On-Call rotation list. Following the bidding which closed on April 9, 2008, the bid evaluation was performed by Procurement Services based on the daytime labor rates. The four contractors with the lowest daytime labor rates were selected who satisfied Code Enforcement's project requirements as well as the City's standard non-professional service bid requirements, i.e. City business license, current insurance coverage, etc. The firms to be awarded the City's trash and debris abatement services contracts are: 1) Advantage Demolition and Engineering, 2) G. W. Demolition, and 3) Evans Brothers, Incorporated. Considering that the need for this service can greatly fluctuate, the Code Enforcement Department is requesting an annual total NTE cost for these contracts of \$300,000 (i.e. \$100,000 annually per contract) for a period not to exceed three (3) years from the date of award.

**Attachment 2****RESOLUTION NO.**

Adopted by the Sacramento City Council

**APPROVING MASTER SERVICES AGREEMENTS FOR COLLAPSING/DEMOLITION OF DANGEROUS BUILDING SERVICES****BACKGROUND**

The purpose of the Master Services Agreements is to provide the City with an "On-Call" list of contractors that will provide collapsing/demolition of dangerous building service on a rotational basis. This program eliminates the need to individually bid each collapsing/demolition of dangerous building case. The "On-Call" list of contractors will allow a quicker response to these types of cases citywide. Also, in the current housing and economic depressed markets, these Master Service Agreements will enable the City to be better prepared to remediate threats to the public safety resulting from dangerous buildings by collapsing/demolishing structures when this is deemed necessary.

Contractors were recommended for approval based on the following criteria listed:

- Responsiveness
- Experience and appropriate licenses
- Pricing

The term of the proposed Agreements is 1 year from the date of the execution. The City may opt to extend the contract period for an additional year for a total of three years.

Formal bids for this non-professional service were solicited, and of the bids received, the three lowest bidders were: Advantage Demolition & Engineering, Evans Brothers Incorporated, and G. W. Demolition. The use of these three contractors on a rotation list will enable the department to provide remediation to dangerous buildings according to building, health and safety codes.

Based on the above, it is in the best interests of the City to suspend competitive bidding to allow the City to enter into Master Services Agreements (MSA) with the 3 contractors: Advantage Demolition and Engineering; Evans Brothers, Incorporated, and G. W. Demolition and each in the annual Not To Exceed Amount of \$100,000

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. In the best interests of the City, competitive bidding is suspended for collapsing/demolition of dangerous building services.
- Section 2. The City Manager is authorized to execute Master Services Agreements (MSA) for collapsing/demolition of dangerous building services, each MSA for a one year period, with Advantage Demolition and Engineering; Evans Brothers, Incorporated, and G. W. Demolition and each in the annual Not To Exceed Amount of \$100,000.
- Section 3. Each MSA provides for initial one year terms, each with the option to extend for an additional one year term, each for a total term of three years (including the initial term and extension). The City Manager may authorize such extensions for the annual Not To Exceed amount of \$100,000, provided sufficient funds are available in the budget adopted for the applicable Fiscal Year.
- Section 4. Rejection of all prior bids submitted in December 2007.