

# City of Sacramento

## Legislation Details (With Text)

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**File created:** 8/20/2019                      **In control:** City Council - 2PM  
**On agenda:** 9/10/2019                      **Final action:** 12/31/2023  
**Title:** Plans and Specifications and Contract Award: K Street Barge Landing Project (C13900000)  
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**Title:**  
**Plans and Specifications and Contract Award: K Street Barge Landing Project (C13900000)**

File ID: 2019-01264

**Location:** District 4, 1000 Front Street,

**Recommendation:**

Pass a Motion: 1) authorizing selection of a contractor for the K Street Barge Landing Project through informal price quotations because no valid bids were received; 2) approving the plans and specifications for the K Street Barge Landing Project; 3) awarding a construction contract to Stratus Construction Company in an amount not to exceed \$928,086 for the K Street Barge Landing Project; and 4) authorizing the City Manager or the City Manager’s designee to execute the contract specified above.

**Contact:** Kirk Thompson, Senior Architect (916) 808-8431; James Christensen, Facilities Manager (916) 808-5863, Department of Public Works.

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Construction Contract with Stratus Construction Company

## Description/Analysis

**Issue Detail:** The K Street Barge Landing Project is part of the Old Sacramento Infrastructure Project. The K Street Barge and other improvements that serve the Delta King and provide public access to the river docks have exceeded their useful life and are in need of repair. City staff in the Facilities and Real Property Management Division of Public Works are seeking City Council approval to execute a contract with Stratus Construction Company for repair of the K Street Barge. Construction is expected to begin in September of 2019.

The K Street Barge Landing Project was bid separately from the other barge improvements to minimize schedule impacts to the Delta King's hotel operation. The K Street Barge Elevator Modernization Project was previously bid, and a construction contract was awarded to John F. Otto, Inc. dba Otto Construction on March 12, 2019 through City Council Motion No. 2019-0071.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Section 3.60.170(B) and City Public Projects Policy Section 2.2(a)(1), which state that the restrictions and provisions of Chapter 3.60 requiring the award of contracts by competitive bidding do not apply when no valid bids are received and City Council may approve a different procurement method in such situations.

**Economic Impacts:** The recommended contract is expected to create 3.71 jobs (2.13 direct jobs and 1.58 jobs through indirect and induced activities) and create \$573,033 in total economic output (\$361,187 of direct output and another \$211,846 of output in indirect and induced activities).

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

## Environmental Considerations:

**California Environmental Quality Act (CEQA):** On May 23, 2017, City Council adopted a Mitigated Negative Declaration (MND) and a Mitigation Monitoring Program for the Old Sacramento Infrastructure Project (Resolution No. 2017-0192). The K Street Barge Landing Project described in this report constitutes the third phase of the Old Sacramento Infrastructure Project.

**Sustainability:** Not Applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** On April 17, 2019, the Department of Public Works, Facilities Division issued Invitation for Bid B19014541018 for the K Street Barge Landing Project. A pre-bid walk was held on April 25, 2019. Three contractors attended the pre-bid walk. When the bid closed on May 8, 2019, no bids were received.

Based on the outcome of Bid B19014541018 and conversations with prospective contractors, the project scope and engineer's estimate were verified to account for the complexity of the work involved with working over the environmentally sensitive Sacramento River. Contractors expressed concern for the unknown conditions that could exist on the 50-year-old barge under the decking. To help alleviate concerns of potentially unknown conditions, staff uncovered portions of the decking to allow prospective bidders an opportunity to review the barge below the deck.

Because City Code Section 3.60.170(B) allows dispensation of competitive bidding and use of an alternate procurement method when no valid bids are received, the contractors that originally attended the pre-bid walk were informally contacted and asked to prepare a price quotation for this K Street Barge Landing Project. Two of the contractors, Otto Construction and Lucky Dog Construction elected not to submit price quotations.

Stratus Construction Company submitted a price quotation for the project. Staff has reviewed this price quotation and recommends that City Council authorize awarding of the K Street Barge Landing Project construction contract to Stratus Construction Company for an amount not to exceed \$928,086.

**Financial Considerations:** Sufficient funds exist in the City Facility Reinvestment Program (C13900000) (General Fund, Fund 1001) to execute the recommended construction contract with Stratus Construction Company in an amount not to exceed \$928,086.

**Local Business Enterprise (LBE):** Stratus Construction Company is not an LBE but has partnered with five LBE suppliers to meet the minimum LBE participation requirement. Dunn Edwards Paint, ABC Supply Company, United Rentals and United Site Services will be providing supplies to Stratus Construction Company to complete this project.