

City of Sacramento

Legislation Details (With Text)

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Title:	Rejection of Bids, Contract Award, and Transfer of Funds: History Museum Escalator Removal Project (C15000810)				
Sponsors:					
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Date	Ver.	Action By	Action	Result
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Title:

Rejection of Bids, Contract Award, and Transfer of Funds: History Museum Escalator Removal Project (C15000810)

File ID: 2018-01730

Location: 101 I Street, District 3

Recommendation:

Adopt a Resolution: 1) rejecting all bids received on October 10, 2018 under Invitation to Bid B19014541003 for the History Museum Escalator Removal Project; 2) approving the construction plans and specifications for the History Museum Escalator Removal Project; and 3) authorizing the City Manager or the City Manager's designee to: a) execute a construction contract with Stratus Construction Co., LLC in an amount not-to-exceed \$208,0000 for the History Museum Escalator Removal Project (C15000810); and b) increase the expense budget in the History Museum Escalator Removal Project (C15000810) by \$130,000 (Fund 1001) with a transfer from the City Facilities Reinvestment Program (C13900000).

Contact: Kevin Love, Program Manager, (916) 808-5592; James Christensen, Facilities Manager, (916) 808-5863, Department of Public Works

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Contract

3-Resolution

Description/Analysis

Issue Detail: The escalator in the City-owned Sacramento History Museum is an outdated model with limited room for patrons, but it still takes up an excessive amount of space. The escalator is not required because the museum also has an elevator. The museum's ability to offer exhibit space and host events on the first floor is limited because of the space the escalator takes up. This impacts the museum's financial sustainability, limiting opportunities for future events, particularly those for students. Over 40,000 students visit the museum each year, and with the limited number of museum staff, it is difficult to monitor the students at all times, particularly on the escalator. Accordingly, staff recommends removal of the escalator by Stratus Construction Co., LLC (Stratus).

Policy Considerations: The recommendation in this report is in accordance with the provisions of City Code Chapter 3.60 and consistent with Administrative Policy 4002, Section 8.5 (b), which requires that rejection of bids for contracts \$100,000 or more be approved by the City Council.

Economic Impacts: The recommended contract is expected to create 1.54 jobs (0.98 direct jobs and 0.56 job through indirect and induced activities) and create \$203,116 in total economic output (\$130,203 of direct output and another \$72,913 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: The action recommended in this report is exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301 because the recommended action involves the interior repair, maintenance, or minor alteration of an existing public structure or facility, involving negligible or no expansion of the existing use.

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: On September 7, 2018, the Department of Public Works issued Invitation for Bid B19014541003 for the History Museum Escalator Removal Project. The lowest bidder, Stratus, was deemed non-responsive for failing to properly document the use of a specialized elevator/escalator contractor with a C-11 license to demolish and remove the escalator. Stratus' bid

also substantially exceeded the engineer's estimate of \$120,000. The second lowest bidder, HA Construction, was also deemed non-responsive for using an outdated bid proposal form and adding an alternate cost to the project scope. HA Construction's bid also substantially exceeded the project engineer's estimate. Staff recommends that City Council reject all bids received pursuant to Invitation for Bid B19014541003.

Based on the outcome of the first bid, and contractor input, the project scope and engineer's estimate were modified to account for the complexity of the work involved with removing the escalator from the building. On October 31, 2018, the Department of Public Works issued a new Invitation for Bid (B19014541004) for the History Museum Escalator Removal Project with the updated plans and specifications. After bids were opened, the lowest bidder, Jami Construction, Inc., withdrew its bid due to a mathematical error. Stratus was the next lowest bidder. Staff thus determined Stratus to be the lowest responsible and responsive bidder for the History Museum Escalator Removal Project, and staff recommends awarding the contract to Stratus.

The results of IFB No. B19014541004 are listed in the table below.

CONTRACTOR	TOTAL BID	LBE	STATUS
Jami Construction, Inc	\$165,726.70	100%	Withdrew Bid
Stratus Construction Co., LLC	\$208,000.00	57%	Responsive
BP Interior, Inc.	\$303,002.28	100%	Responsive

Financial Considerations: The estimated total project cost of the History Museum Escalator Removal Project (C15000810) is \$300,000. With approval of the transfer of \$130,000 (Fund 1001) from the City Facilities Reinvestment Program (C13900000), the project will have sufficient funding available to execute the construction contract with Stratus in an amount not to exceed \$208,000 and cover the remaining project costs.

Local Business Enterprise (LBE): Stratus Construction Co., LLC is not an LBE, but has partnered with three LBEs (Capitol Elevator, Anderson Painting, and Central Glass) to exceed the minimum LBE requirement. Capitol Elevator will provide removal of the escalator and associated components, Anderson Painting will provide drywall and painting, and Central Glass will provide the glazing services.