

# City of Sacramento

## Legislation Text

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**File #:** 2019-00287, **Version:** 1

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**Title:**

**Contract Award: K Street Barge Elevator Modernization Project**

File ID: 2019-00287

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

**Recommendation:**

Pass a Motion: 1) authorizing selection of a contractor for the K Street Barge Elevator Modernization Project (C13000400) through informal price quotations because no valid bids were received; 2) approving the plans and specifications for the K Street Barge Elevator Modernization Project; 3) awarding a construction contract to John F. Otto, Inc. dba Otto Construction in an amount not to exceed \$326,545 for the K Street Barge Elevator Modernization Project; and 3) authorizing the City Manager or the City Manager's designee to execute the contract.

**Contact:** Kirk Thompson, Associate Architect (916) 808-8431; Mark C. Brown, Supervising Engineer, (916) 808-7118; James Christensen, Facilities Manager (916) 808-5863, Department of Public Works

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Contract

### Description/Analysis

**Issue Detail:** The K Street Barge renovation is the second phase of the Old Sacramento Infrastructure Project. The facilities that serve the Delta King and public access to the river have exceeded their useful life and are in need of renovation. One such facility in need of renovation is the K Street Barge elevator.

Modernization of the K Street Barge elevator was bid separately from the other barge improvements to minimize schedule impacts to the Delta King's hotel operation. Thus, staff is just recommending

award in this report for the K Street Barge elevator work. Roof repair to the elevator enclosure, repairs to the hull, deck replacement, and other preventative repairs will be bid after the elevator is modernized.

**Policy Considerations:** The recommendation in this report is 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 shall not apply when no valid bids are received.

**Economic Impacts:** The recommended contract is expected to create 1.31 jobs (0.75 direct jobs and 0.56 job through indirect and induced activities) and create \$201,620 in total economic output (\$127,083 of direct output and another \$74,537 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 the Mitigated Negative Declaration (MND) and the Mitigation Monitoring Program for the Old Sacramento Infrastructure Project (Staff Report 2017-00627/ Resolution 2017-0192). The K Street Barge Elevator Modernization Project described in this report constitutes the second phase of the Old Sacramento Infrastructure Project.

**Sustainability:** Not applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** On November 28, 2018, the Department of Public Works, Facilities Division issued Invitation for Bid B1901541006 for the K Street Barge Elevator Modernization Project. One bid was received by Elevator Industries, Inc. in the amount of \$148,850, and such bid was deemed non-responsive because it did not include the entire scope of work requested within the bid documents and the contractor did not possess the California contractor's license to perform the non-elevator work necessary to complete the project. After a conversation with Elevator Industries, Inc. discussing bid documents, the company chose to withdraw its bid.

Based on the outcome of Bid B19014541006 and conversations with elevator contractors, the project

scope and engineer's estimate were verified to account for the complexity of the work involved with modernizing the existing elevator. Elevator contractors did not feel they had the ability to perform the scope of work included in the original bid documents and the project would work better if the elevator contractor assisted a General Contractor in completing the project.

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. Because Elevator Industries, Inc. withdrew its bid, City staff did not receive any valid bids. Accordingly, staff informally contacted three general Contractors and received one price quotations. John F. Otto, Inc. dba Otto Construction, Inc. ("Otto Construction") submitted a price quotation and was determined the best company to perform the work. Staff is thus recommending a contract with Otto Construction for performance of the K Street Barge Elevator Modernization Project.

**Financial Considerations:** Sufficient funds are available in the Facility ADA Compliance Program (C13000400) to execute the recommended construction contract with Otto Construction in the amount of \$326,545.

**Local Business Enterprise (LBE):** Otto Construction is an LBE.