

# City of Sacramento

## Legislation Text

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**File #:** 2020-00239, **Version:** 1

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**Title:**

**Contract:** REBID- Freeport Blvd., 56th Avenue and Pleasant Drive Pipe Replacement

File ID: 2020-00239

**Location:** Citywide

**Recommendation:**

Pass a Motion: 1) approving the contract plans and specifications for the REBID - Freeport Blvd., 56th Avenue and Pleasant Drive Pipe Replacement Project; and 2) awarding the contract to Express Sewer and Drain, Inc. for an amount not-to-exceed \$177,580.

**Contact:** Sonia Lopez, Associate Engineer (916) 808-1456; Tony Bertrand, Engineering & Water Resources Division Manager, (916) 808-1461; Department of Utilities

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Contract

### Description/Analysis

**Issue Detail:** Staff recommends Council award a construction contract to Express Sewer and Drain, Inc., to replace approximately 520 lineal feet of 6-inch sewer pipeline, using pipe bursting techniques. Included in the scope of work is the construction of equipment launching pits, restoration of manholes, and replacement of sewer services

**Policy Considerations:** City Council approval is required to award construction contracts of \$100,000 or more. The action requested conforms with City Code Chapter 3.60, Articles I and III, which provide for award of competitively bid contracts to the lowest responsible bidder. The replacement and rehabilitation of aging and deteriorated sewer pipes is consistent with the criteria set forth in the Department of Utilities' Capital Improvement Programming Guide to replace and expand critical infrastructure to ensure reliability and safety of the City's sewer system.

**Economic Impacts:** This project is expected to create 0.71 total jobs (0.41 direct jobs and 0.30 jobs through indirect and induced activities) and create \$109,644.11 in total economic output (\$69,109.52 of direct output and another \$40,534.59 of output through 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 subject projects were reviewed and determined to be categorically exempt from the California Environmental Quality Act (CEQA). The projects include replacing existing sewer mains (utility systems) involving negligible expansion of capacity (CEQA Guidelines Class 2 and Section 15302).

**Sustainability:** The proposed project is consistent with the 2035 General Plan, U 3.1.1, as it improves infrastructure reliability.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The project was advertised, and three bids were received and opened on January 29, 2020. Express Sewer and Drain, Inc. was the lowest responsible bidder. The bid results are as follows:

Contractor	Amount
Express Sewer and Drain, Inc.	\$177,580
American Pipeline Services, Inc.	\$386,450
Bay Pacific Pipelines, Inc.	\$463,400

The Engineer's construction cost estimate was \$175,000.

**Financial Considerations:** The total estimated cost for the project is \$230,000, based on the low bid of \$177,580. Sufficient funds exist in the Sewer Repairs Program (X14120300) project to complete this project.

There are no General Funds allocated or planned for this project.

**Local Business Enterprise (LBE):** Express Sewer and Drain, Inc. is not an LBE. The minimum LBE participation requirement was waived by the Director of Utilities as staff has determined the waiver is in the City's best interest as a result of a limited number of local contractors that are specialized in pipe bursting techniques.

**Background:** This project was first advertised in June 2019. The lone bid was rejected because it exceeded the engineer's estimate by more than three times and was not an LBE. In addition, there are a limited number of local business enterprise (LBE) qualified contractors specializing in pipe bursting techniques. As a result, staff acquired a waiver for the local business enterprise participation and re-advertised the project in the winter to increase the chances of receiving multiple bids.