

Agenda Report

TO: CITY COUNCIL

Date: January 10, 2005

FROM: CITY MANAGER

SUBJECT: REJECTION OF BIDS - CONSTRUCTION OF A REINFORCED CONCRETE OIL CONTAINMENT SYSTEM IN T.M. GOODRICH RECEIVING STATION.

RECOMMENDATION

It is recommended that the City Council reject all bids received on November 18, 2004 in response to specifications to construct a reinforced concrete oil containment system at the T.M. Goodrich receiving station.

BACKGROUND

The T.M. Goodrich receiving station distributes electricity to different substations in the City and surrounding areas. It has three 34kv transformer banks that hold approximately 70,000 gallons of oil.

Federal Environmental Protection Agency regulations require that potentially large spills be contained within the immediate area. The substation was constructed prior to these federal regulations. Specification LD-04-8 provides for the construction of a reinforced concrete oil containment system at the T.M. Goodrich Substation, which would prevent transformer oil from leaking onto the ground during a spill or accident.

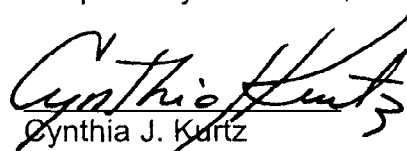
On October 26, 2004, a Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to thirteen businesses on the Purchasing Division's vendor list. Three bids were opened on November 18, 2004. The low bidder has requested that he be allowed to withdraw his bid due to an error in his calculation.

Rather than move forward with a contract award at this time, staff believes that re-bidding the contract will increase the bidder pool and yield a greater number of responsive bids. Furthermore, staff will incorporate changes suggested by the consulting firm that is preparing the Power Distribution System Master Plan, which will be completed in late January.


FISCAL IMPACT

Other than printing, advertising and other miscellaneous costs, rejection of bids and re-advertising will have no fiscal impact on this project.

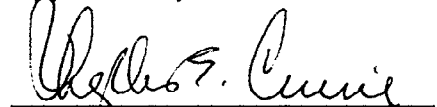
Respectfully submitted,


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