

Agenda Report

Date: August 14, 2006

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: REJECTION OF BIDS: PROVIDE LABOR AND MATERIALS FOR THE CONSTRUCTION OF GLENARM UNIT IV SUBSTATION FOR THE CITY OF PASADENA.

RECOMMENDATION

It is recommended that the City Council reject the bid received on August 2nd 2006 in response to specifications LD-06-5 to provide labor and material for the construction of the Glenarm Unit IV substation.

BACKGROUND

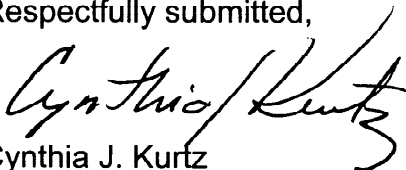
On July 18, 2006, a Notice Inviting Bids to Provide Labor and Materials for the construction of the Glenarm Unit IV Substation in accordance with Specifications LD-06-5 was published in *The Pasadena Star News* and posted on the City's web page. In addition, specifications were mailed to ten businesses on the Purchasing Division's vendor list.

Because only one bid was received and opened on August 2, 2006 and the quoted price was more than 100% above the engineer's estimate, staff recommends to reject the bid. Staff plans to re-advertise the specifications after breaking down the scope of construction into a civil portion and an electrical scope of work to increase the bidder pool and yield bids that are more competitive. Such a re-bid will extend the project schedule at least four weeks.

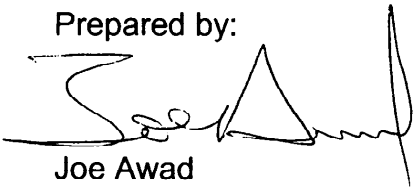
FISCAL IMPACT

Other than printing, advertising, and other miscellaneous cost, rejection of bids and re-advertising will have no fiscal impact.


Respectfully submitted,


Cynthia J. Kurtz
City Manager

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