

Agenda Report

Date: June 25, 2007

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: REJECTION OF BIDS FOR CONSTRUCTION OF AN UNDERGROUND ELECTRICAL CONDUIT SYSTEM ON LOS ROBLES AVENUE FROM WASHINGTON BLVD. TO WOODBURY ROAD FOR THE WATER AND POWER DEPARTMENT.

RECOMMENDATION

It is recommended that the City Council reject all bids received on June 1, 2007 in response to specifications LD-07-2 to construct underground electrical conduits on Los Robles Avenue for the Water and Power Department.

BACKGROUND

On May 24, 2004, the City Council approved the establishment of Underground Utility District 04-1. This project provides for the installation of an underground conduit system along Los Robles Avenue from Washington Blvd. to Woodbury Road. The City has a continuing program to place overhead utilities underground. Specifically, communication and power lines are being relocated underground and wooden utility poles are being removed.

In an effort to reduce construction time and cost as well as minimize inconvenience to customers, the Pasadena Water and Power Department (PWP), SBC Telephone Company, Charter Communications and Champion Broadband agreed to utilize a joint trench installation and to share the cost of the undergrounding project.

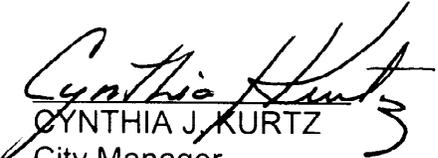
On April 19, 2007, a Notice Inviting Bids on Specifications LD-07-2 to construct underground electrical conduits for PWP was published in *The Pasadena Journal* and posted on the City's web page. Soon after the bid opening Charter Communications announced that it acquired all Champion Broadband facilities in Pasadena and indicated that it will not need the facilities proposed for Champion Broadband in this underground project. As a result of this recent action, the design of this underground project must be modified and the cost sharing arrangement with the remaining utilities must be revised.

PWP recommends that the bids be rejected since the original design and the basis of the bid will be significantly altered and are no longer valid. A new design and cost sharing arrangement must be in place prior to issuing the next bid for this underground project.

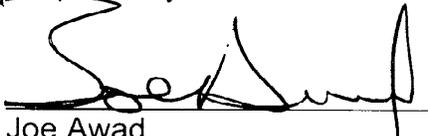
FISCAL IMPACT

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

Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

Prepared by:


Joe Awad
Business Unit Director
Water and Power Department

Approved by:


Phyllis E. Currie
General Manager
Water and Power Department