

Agenda Report

TO: CITY COUNCIL

DATE: March 17, 2008

FROM: CITY MANAGER

SUBJECT: CONTRACT AWARD TO CHRISTOPHER R. MORALES, INC., FOR THE INSTALLATION OF CCTV CAMERA ON ROSEMONT AVENUE AT WASHINGTON BOULEVARD FOR A GRAND TOTAL AMOUNT NOT TO EXCEED \$205,000

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated March 5, 2008 submitted by Christopher R. Morales, Inc., in response to the Specifications for the Installation of CCTV Camera on Rosemont Avenue at Washington Boulevard; reject all other bids received; and authorize the City Manager to enter into a contract for an amount not to exceed \$135,000, consisting of the base bid of \$122,800 and a ten percent change order amount of \$12,200;
2. Acknowledge the project to be categorically exempt under Section 21084 of the California Environmental Quality Act (CEQA) in accordance with Article 19, Section 15301 (Class 1), subsection (c) of the Resources Agency of California Guidelines (minor alterations involving negligible expansion of use beyond that previously existing) pursuant to the findings of the Secretary of the Resources Agency, and authorize the City Manager to execute and the City Clerk to file a Notice of Exemption for the project with the Los Angeles County Clerk; and
3. Authorize the issuance of change orders totaling up to \$70,000 to replace existing fiber optic cable and equipment along portions of Seco Street and Fair Oaks Avenue for a total change order amount of \$82,200 and a grand total contract amount not to exceed \$205,000. It is further recommended that, to the extent that this additional work might be viewed as a separate project which should be competitively bid, the City Council find that this extra work should not be subject to competitive bidding based on the doctrine of impracticality as set forth in the body of this report.

BACKGROUND

This project consists of the installation of a Closed Circuit Television (CCTV) camera at the intersection of Rosemont Avenue and Washington Boulevard within the Rose Bowl area. Installing this camera will provide the Department of Transportation's Traffic Management Center with real time information on traffic flow along Rosemont Avenue during Rose Bowl events. The camera use combined with traffic management monitoring will allow the Traffic Management Center to modify the traffic signals at outbound areas of the Rose Bowl creating an efficient and safe flow of vehicles from the Rose Bowl area.

The work includes installation of a CCTV camera, aerial and underground fiber optic cables, conduit, pull boxes, and miscellaneous appurtenant work.

Findings of compliance with the General Plan were previously made and are shown on page 5.12 of the FY 2008-2012 Capital Improvement Program.

Under the State Guidelines for the Implementation of the California Environmental Quality Act (CEQA), this project is categorically exempt since the work consists of minor alterations involving negligible expansion of use beyond that previously existing. Therefore, it is recommended that a Notice of Exemption be filed with the Los Angeles County Clerk.

The Department of Public Works prepared plans and specifications for this project and bids have been received.

This project was advertised in the Pasadena Star-News on February 13, 2008. In addition, the Notice Inviting Bids was published in two trade publications and two websites. Bid packets were obtained by ten contractors, four of whom submitted bids for the project.

Following advertising, bids were received on March 5, 2008, and are as follows:

<u>Bidder</u>	<u>Amount</u>
1. Christopher R. Morales, Inc., City of Industry	\$122,800
2. Pro Tech Engineering Corp., Corona Del Mar	\$148,750
3. A K Engineering, Chino Hills	\$160,147
4. PTM General Engineering Services, Inc., Riverside	\$296,500
Engineer's Estimate	\$ 242,040

The lowest bid received was 49.3 percent lower than the Engineer's Estimate. Therefore, it is recommended that Christopher R. Morales, Inc. be awarded a contract for this project as they are the lowest responsive and responsible bidder and that the other bids be rejected. The proposed contract with Christopher R. Morales, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. The Contractor has indicated that the award of this contract will result in no new hires to his present workforce.

The contract will be set up as follows:

Base Bid	\$ 122,800
Maximum Change Order Amount	<u>\$ 82,200</u>
Contract "Not to Exceed" Amount	\$ 205,000

This project includes work of a nature that has not been previously done in the City, namely, the installation of aerial fiber optic cable. Staff contacted companies that specialize in this type of work to obtain estimates for this work. Based on those estimates, the project estimate far exceeded the available funds.

The project, as originally designed, also included the replacement of existing CCTV fiber cables and equipment with new, more efficient and cost effective fiber optic cable and equipment along portions of Seco Street and Fair Oaks Avenue. The existing equipment is old technology and any replacement equipment would not be compatible with the existing fiber cables without the use of special conversion equipment. Even with this conversion equipment, the new CCTV camera to be installed at Rosemont Avenue and Washington Boulevard would not operate to its optimum efficiency if connected to the existing fiber optic system. Due to the high cost estimate for this project, the replacement of the existing fiber and equipment was deleted from the plans. However, with the low bids received for the CCTV camera installation, funds are available to add much, if not all, of the deleted work.

The major portion of the funds for this project is in the form of a federal grant. Awarding this contract at the base bid will result in the loss of a large portion of the grant funds, as reimbursement is limited to the amount actually spent.

Impracticality of Future Bidding

The urgency to approve this contract this month, without delay, is needed because Caltrans, which administers these federal funds, notified staff, in early February that the federal funds will be withdrawn if a copy of a fully executed contract is not received by Caltrans Headquarters, in Sacramento, by the end of this month. Since the original plans and specifications do not provide for the replacement of old technology fiber optic cable and equipment, this work could be considered to be subject to competitive bidding. However, because of this time constraint, there is insufficient time to revise the scope of the project to include the addition of the deleted work and to re-advertise the Bid Specifications prior to the Caltrans deadline and thereby making it impractical to re-bid the project. Therefore, to complete the project, as it was originally designed, it is recommended that the maximum change order amount for this project be set at \$82,200 which will allow staff to authorize the additional work via change order (\$12,200 of this amount is the change order to the base bid and \$70,000 is the amount added for the additional work).

The City Council is asked to approve the potential addition of this work to be performed by Christopher R. Morales, Inc. without further competitive bidding on the grounds that it is impractical to bid and that the public interest would not be served by bidding. The impracticality doctrine is recognized and created by the case of Graydon v. Pasadena Redevelopment Agency. It is impractical to bid and the public interest would not be served by bidding for the following reasons:

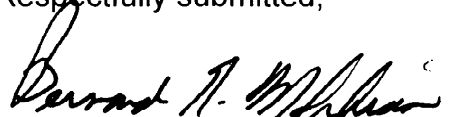
1. There is already a contractor who is being selected for identical work through a competitive bidding process capable of performing the work. Christopher R. Morales, Inc. will have the necessary personnel, equipment, and material at the site needed to provide these services. There is no reason to believe that bidding this work would result in another contractor bidding lower than Christopher R. Morales, Inc.
2. In order to avoid the loss of federal funding for this additional work, copies of any and all fully executed contracts for this work must be received in Caltrans Headquarters by the end of March. There is not sufficient time to bid and award a contract for the additional work. This occurred through no fault of City staff as the base project was projected to encumber all available funds with no funds projected as being available for this additional work.

It is anticipated that construction will begin in April 2008 and be completed in July 2008.

FISCAL IMPACT

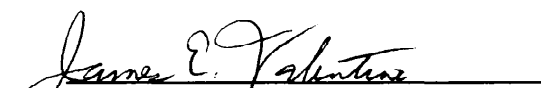
Sufficient funds for this project are available in the Capital Improvement Program, Budget Account No. 75502, Rose Bowl Access Management.

Respectfully submitted,



BERNARD K. MELEKIAN
City Manager

Prepared by:



James E. Valentine
Principal Engineer

Approved by:



Martin Pastucha, Director
Department of Public Works