

# Agenda Report

**TO:** CITY COUNCIL

**DATE:** May 19, 2008

**FROM:** CITY MANAGER

**SUBJECT:** RESCISSION OF CONTRACT FOR THE PAINTING OF PLAYHOUSE DISTRICT STREET LIGHT POLES

## **RECOMMENDATION**

It is recommended that the City Council rescind without penalty Contract No. 19,474 with Lightpole Restoration Specialists, Inc. for the Painting of Playhouse District Street Light Poles and authorize the City Manager to call for new bids.

## **BACKGROUND**

On November 5, 2007, the City Council awarded Contract No. 19474 to Lightpole Restoration Specialists, Inc. for the painting of all existing metal street light poles on Colorado Boulevard between Los Robles Avenue and Lake Avenue, all existing metal street light poles on Green Street between Los Robles Avenue and Hill Avenue and the metal ornamental poles on El Molino Avenue between Green Street and Union Street. This contract was fully executed on March 12, 2008, and no work has been done.

The President of Lightpole Restoration Specialists, Inc. (LRSI) has submitted a letter to the City indicating that a number of their clients have not paid for work that has been completed. LRSI is exploring taking legal action against these clients to recover the monies owed to them. The loss of these funds and the cost of taking the necessary legal action have put LRSI in a temporary financial situation that may lead to LRSI not being able to complete the Playhouse Pole Painting Project. Rather than risk the stoppage of work in the middle of the project, LRSI is requesting that their contract with the City be rescinded so as to allow the City to rebid this work. Given the circumstances, staff has no objection to the rescission of this contract.

Following re-advertising of this project, work is expected to begin in August and be completed in October 2008.

**FISCAL IMPACT**

Funds for this project are available in Budget Account No. 73397, Playhouse District Streetscapes and Paseos Plan – Phase I and Budget Account No. 74346, Repair and/or Replacement of Existing Street Lighting Systems.


Respectfully submitted,

  
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BERNARD K. MELEKIAN  
City Manager

Prepared by:

  
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James E. Valentine  
Principal Engineer

Approved by:

  
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Martin Pastucha, Director  
Department of Public Works