

# Agenda Report

Date: June 4, 2012

**TO:** CITY COUNCIL

**FROM:** WATER AND POWER DEPARTMENT

**SUBJECT:** REJECTION OF ALL BIDS FOR CONSTRUCTION OF AN UNDERGROUND ELECTRICAL CONDUIT SYSTEM ON HILL AVENUE, FROM VILLA STREET TO TOPEKA STREET

## **RECOMMENDATION:**

It is recommended that the City Council reject all bids received on April 11, 2012 in response to specifications LD-11-3 to construct underground electrical conduits for the Water and Power Department (PWP).

## **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 electrical conduit system along Hill Avenue from Villa Street to Topeka Street. The City has a continuing program to place all overhead utilities underground. Specifically, communication and power lines are being relocated underground and wooden utility poles are being removed.

Prior to October 2011, PWP and Charter Communications agreed to utilize a joint trench installation for all affected utility facilities to reduce construction time and minimize inconvenience to customers. On October 20, 2011, a Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to 28 businesses on the Purchasing Division's vendor list. Five bids were opened on April 11, 2012. The low bidder has requested that he be allowed to withdraw his bid due to an error in calculation and an inability to meet his bid bond obligations.

The four remaining bidder's proposals came in much higher than the engineer's estimate. 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, as well as provide an opportunity to redesign the joint trench installation to reduce costs to Charter. Engineering staff is redesigning the project with one phase rather than four phases, which will also minimize the impact on traffic control and the inconvenience for the residents.

**COUNCIL POLICY CONSIDERATION:**

Rejecting the bids supports the City's goal of efficient use of funds towards the improvement of the City's power facilities.

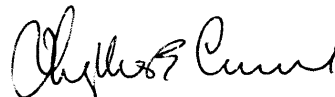
**ENVIRONMENTAL ANALYSIS:**

The rejection of bids is not a project pursuant to the California Environmental Quality Act (CEQA), and because there is no potential of environmental effects, it is not subject to CEQA.

**FISCAL IMPACT:**

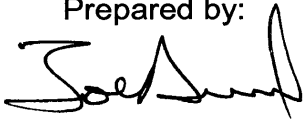
The estimated maximum cost resulting from this action is \$5,000 for engineering staff time to make necessary design changes, recalculate the joint trench agreement and prepare new specifications, and for mailing costs. Funding for this action will be addressed by utilizing existing appropriations in the Hill Avenue Street Lighting and Electric Systems Undergrounding Capital Improvement Project No. 74488. The anticipated impact to other operational programs or capital projects as a result of this action will be minimal.

Respectfully submitted,



Phyllis E. Currie  
City Manager  
General Manager  
Water and Power Department

Prepared by:



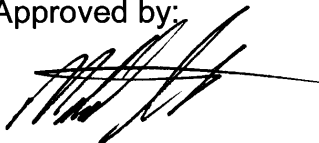
Joe Awad  
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Concurred by:



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Approved by:



Michael J. Beck  
City Manager