

Agenda Report

August 12, 2013

TO: Honorable Mayor and City Council

THROUGH: Finance Committee Meeting of August 12, 2013

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH JM COMMUNICATIONS, INC., FOR UNDERGROUND ELECTRICAL CONDUIT SYSTEMS IN HILL AVENUE FOR THE WATER AND POWER DEPARTMENT.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15302(d), Replacement or Reconstruction, Conversion of Overhead Electric Utility Distribution System Facilities to Underground;
2. Accept the bid dated June 4, 2013 submitted by JM Communications, Inc. ("JM") in response to Specifications LD-13-5 for construction of underground electrical conduit systems along Hill Ave. and authorize a contract with JM not to exceed \$2,727,372; and
3. Approve a journal voucher to transfer \$2,900,000 from the Hill Avenue – Electric System Undergrounding, Villa Street to North City Limits Capital Improvement Budget No. 74488 in Fund No. 206 to Utility Undergrounding Power Capital Improvement Project No. 3174 in Fund 411.

BACKGROUND:

The Underground Utility District 04-2 (UUD04-2) was established in FY2005 requiring the undergrounding of electrical, cable and telephone utilities in Hill Avenue from Villa Street to the north City limits.

On May 9, 2013, a Notice Inviting Bids to Provide Labor and Materials for Construction of Underground Electrical Conduit System in UUD04-2 in accordance with Specifications LD-13-5 was published in the Pasadena Journal and posted on the City's web page. Nine vendors attended a mandatory pre-bid meeting on May 21, 2013. Five responsive bids were opened on June 4, 2013.

<u>Contractor</u>	<u>Bid Amount</u>
JM Communications, Inc., Van Nuys, CA	\$2,776,986
S.H.E. Engineering and Construction, Reseda, CA	\$2,897,000
VCI Construction, Inc, Upland, CA	\$3,591,245
Perry C. Thomas Construction, Inc., Monrovia, CA	\$4,202,999
Henkels & McCoy, Pomona, CA	\$5,832,900

JM was the lowest responsive bidder that met all the requirements of the specifications. The joint trench agreement requires the Department of Water and Power ("PWP") and Charter Communications to enter into separate contracts with the low bidder for their portion of the work. The total contract amount will be apportioned as follows:

PWP	\$2,479,429
<u>Charter Communications</u>	<u>\$297,557</u>
Total	\$2,776,986

Staff recommends award of a contract to JM for an amount not to exceed \$2,727,372, which includes the base bid amount of \$2,479,429 and a 10% contingency for any necessary change orders. This contract amount will cover the costs of PWP's portion of the underground substructures. This contract does not include the electrical portion of the work such as the purchase of the electrical cable, cable pulling and terminating, or the removal of the power poles.

City Council has previously appropriated funds from the Underground Surtax to Capital Improvement Project ("CIP") No. 74488, Hill Avenue Street Lighting and Electric System. Funds must now be transferred from Project No. 74488 to PWP's CIP No. 3174, Utility Undergrounding, to allow PWP to fund this contract. This transfer will not impact other projects, as the funds were appropriated for this purpose.

It is expected that the portion of the work under this contract will be completed within 120 working days after a Notice to Proceed is issued.

The proposed contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated there-under.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Mobility Element/Power Facilities Element of the General Plan and supports the Council's goal to improve the visual environment of the City through improved streetscapes and conversion of existing overhead to underground facilities; improve system reliability and enhance public facilities infrastructure; provide a high level of public service which adds to the quality of life in the City, and increase its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

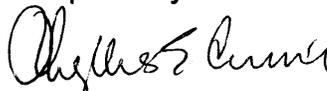
The proposed contract is exempt from CEQA pursuant to the State CEQA Guidelines Section 15302(d), (Replacement or Reconstruction), which exempts the conversion of overhead electrical utility distribution system facilities to underground, including connection to existing overhead electrical utility distribution lines where the surface is restored to the condition existing prior to the undergrounding.

FISCAL IMPACT:

The maximum cost for this action is \$2,900,000, which includes contract administration and construction inspection. All funds will be spent in fiscal year 2014. The cost will be addressed by utilizing appropriations in the Underground Utility Surtax fund, CIP No. 74488. A journal voucher is required to transfer \$2,900,000 from Fund No. 206 to PWP's Fund No. 411, CIP No. 3174, to fund this proposed contract. This expenditure will have minimal impact on other operational or capital projects. The following table summarizes the total fiscal impact.

Base Contract Amount	\$2,479,429
Contingency	\$247,943
Not to Exceed Amount	\$2,727,372
Construction Engineering and Inspections	136,368
Administration/Inspections	\$36,260
Total Fiscal Impact in Fiscal Year 2014	\$2,900,000

Respectfully submitted,



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