

# Agenda Report

To: City Council

Date: November 3, 2003

From: City Manager

Subject: Authorization to enter into contracts for the construction of an underground conduit system in Avenue 64 from Colorado Boulevard to South City Limits, Specifications LD-03-04

## Recommendation

It is recommended that the City Council: (1) accept the bids dated October 15, 2003 submitted by Henkels & McCoy, Inc. in response to Specifications LD-03-04 for the construction of an underground electrical conduit system in Avenue 64 from Colorado Boulevard to South City Limits; (ii) reject all other bids; (iii) authorize the City Manager to enter into a contract for an amount not to exceed \$1,149,101 for Item 1, and \$1,063,942 for Item II as is required.

## Background

The subject Specifications provide for the installation of an underground conduit system in Avenue 64 from Colorado Boulevard to South City Limits. 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. The placing of utility lines underground improves the electrical system's reliability by reducing the exposure of overhead wires to weather and other elements as well as enhancing the aesthetic quality of the environment.

On December 9, 1996, the City Council approved the establishment of Underground Utility District 96-1. This project provides for the removal of wooden utility poles, overhead wires, and other appurtenances and requires that private property owners convert to the underground electrical system.

Pasadena Water and Power Department, SBC Telephone Company, Charter Communications, and Altrio Communications, in an effort to reduce construction time and costs as well as minimize inconvenience to customers, have agreed to utilize a joint trench installation for all affected utility facilities.

In order to maximize opportunity, the project was broken down into two separate bid items, for which bidders could have bid any or all items.

Department staff contacted and distributed the specifications to a total of five (5) businesses.

In response to the Notice Inviting Bids, four Bidder's Proposals were received with prices as follows:

Item I (Avenue 64 from Colorado Blvd. to 360 feet south of Nithsdale Rd.)

<u>Bidders</u>	<u>Prices</u>
Henkels & McCoy, Inc.	\$1,403,707
Doty Brothers Equipment Co.	\$1,473,712
Par Electrical Contractors	\$1,585,000
Irish Construction	\$1,609,853

Item II (Avenue 64 from 350 feet south of Nithsdale Rd. to south city limits)

<u>Bidders</u>	<u>Prices</u>
Henkels & McCoy, Inc.	\$1,457,535
Irish Construction	\$1,627,055
Doty Brothers Equipment Co.	\$1,637,706
Par Electrical Contractors	\$1,750,000

The total estimate includes the portion of the work to be paid by Pasadena Water and Power which is 74.42% for Item I and 66.36% for Item II, by SBC Telephone Company which is 5.95% for Item I and 7.66% for Item II, by Charter Communications which is 5.68% for Item I and 11.08% for Item II and by Altrio Communications which is 13.95% for Item I and 14.90% for Item II under separate contracts. This estimate was well within range of the project. Henkels & McCoy, Inc. was the lowest responsive bidder for both items. Therefore, it is recommended that the Council award contracts based on these bids. The recommended contract amount includes the City's portion of the work as well as a contingency of 10% to accommodate any necessary change orders, as follows:

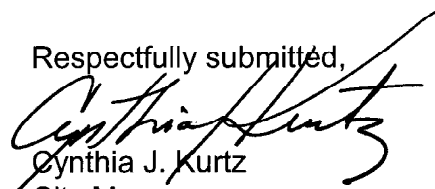
<u>Item I</u>		<u>Item II</u>	
Base Bid	\$1,044,638	Base Bid	\$ 967,220
10% Contingency	<u>104,463</u>	10% Contingency	<u>96,722</u>
Total	\$1,149,101	Total	\$1,063,942

The proposed contract complies with the Living Wage Ordinance, Pasadena Municipal Code 4.11.

Fiscal Impact

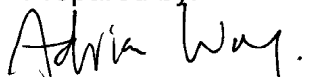
The total cost for construction of Item I is \$1,403,707 and Item II is \$1,457,535. Of these amounts, SBC will execute a separate contract with Henkels & McCoy, Inc. in an amount of \$83,521 for Item I and \$111,647 for Item II, Charter Communications will execute a separate contract with Henkels & McCoy, Inc. in an amount of \$79,731 for Item I and \$161,495 for Item II, and Altrio Communications will execute a separate contract with Henkels & McCoy, Inc. in an amount of \$195,817 for Item I and \$217,173 for Item II. The remaining contract amount of \$1,044,638 for Item I and \$967,220 for Item II are to be funded from Capital Improvement Budget Underground Utility (Surtax) Special Activity Fund, Account Number 74999, budgeted for Fiscal Year 2004.

Respectfully submitted,



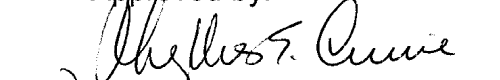
Cynthia J. Kurtz  
City Manager

Prepared by:



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Approved by:



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General Manager  
Water and Power Department



Martin Pastucha  
Director of Public Works