

# Agenda Report

August 10, 2009

**TO:** City Council

**TO:** Finance Committee meeting of August 10, 2009

**FROM:** City Manager

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH VCI TELCOM, INC FOR CONSTRUCTION OF UNDERGROUND ELECTRICAL CONDUIT SYSTEMS IN LOS ROBLES 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(c), Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity;
2. Accept the bid dated April 1, 2009 submitted by VCI Telcom, Inc. in response to Specifications LD-09-02 for construction of underground electrical conduit systems along Los Robles; reject all other bids; and authorize a contract to VCI Telcom, Inc. not to exceed \$2,587,780; and
3. Approve a journal voucher transferring \$2,587,780 from the Los Robles Avenue – Electric System Undergrounding, Washington Blvd to North City Limits Capital Improvement Budget Project No. 74841 to Utility Undergrounding Power Capital Improvement Project No. 3174.

## **BACKGROUND:**

On May 24, 2004, the City Council approved the establishment of Underground Utility District 04-1 (UUD04-1), requiring the undergrounding of electrical, cable and telephone utilities along Los Robles Avenue from Washington Blvd. to Woodbury Road.

On February 26, 2009, a Notice Inviting Bids for the construction of underground electrical conduit systems in UUD04-1 in accordance with Specifications LD-09-02 was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to eighteen businesses on the Purchasing Division's vendor list. Four bids were opened on April 1, 2009. One bid was later withdrawn, and three bids were deemed responsive.

<u>Contractor</u>	<u>Item 1</u>	<u>Item 2</u>	<u>Item 3</u>	<u>Total</u>
<b>VCI Telcom, Inc</b>	<b>\$1,049,526</b>	<b>\$1,042,733</b>	<b>\$1,310,429</b>	<b>\$3,402,688</b>
W. A. Rasic	\$1,343,177	\$1,262,239	\$1,513,463	\$4,118,879
Perry C. Thomas	\$1,602,644	\$1,324,105	\$1,329,560	\$4,256,309

VCI Telcom, Inc. was the lowest responsive bidder that met the requirements of the specification and is recommended to receive the contract award for work described in Items 1, 2 and 3 of Specification LD-09-02. The bid amount includes work for the Water and Power Department (Department), AT&T and Charter Communications. The joint trench agreement requires each utility to enter into a separate contract with the low bidder for their portion of the work. Per the Joint Trench Agreement, the total contract amount is apportioned as follows:

Pasadena Water & Power Department	\$2,352,528
AT&T	\$714,342
Charter Communications	<u>\$335,818</u>
Total	\$3,402,688

The Department recommends award of a contract not to exceed \$2,587,780, which includes the base amount of \$2,352,528 plus a 10% contingency for any necessary change orders. This contract amount will cover the costs to construct only the Department's underground substructures necessary to underground the overhead electrical system in UUD04-1. This contract does not include the electrical portion of the work or the removal of power poles. Such work may be performed by City or contract crews.

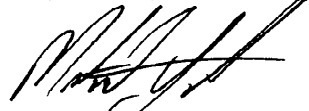
Charter Communications and AT&T have agreed to enter into separate contracts with the lowest responsive bidder for their portions of the work and their share of the costs. It is expected that the civil portion of the work (this contract) will be completed within 90 days after a Notice to Proceed is issued.

The project is consistent with the public facilities element of the General Plan for the City of Pasadena. The proposed contract is in compliance with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated there under.

**FISCAL IMPACT:**

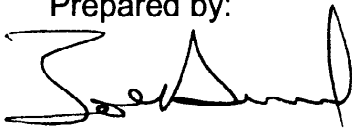
If this Journal Voucher is approved, \$2,587,780 of Underground Utility Surtax funding will be transferred from Capital Improvement Project No. 74841 to Utility Undergrounding Power Capital Improvement Project No. 3174 to fund this contract.

Respectfully submitted,



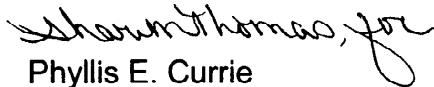
MICHAEL J. BECK  
City Manager

Prepared by:



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Approved by:



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