



Agenda Report

December 12, 2016

TO: Honorable Mayor and City Council

FROM: Pasadena Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH VCI UTILITY SERVICES, INC. DBA VANTAGE UTILITY SERVICES FOR AN AMOUNT NOT TO EXCEED \$577,407 TO PROVIDE LABOR AND MATERIALS FOR UTILITY DISTRICT 08-1 ALPINE STREET (MARENGO TO EL MOLINO) PRIVATE PROPERTY OVERHEAD TO UNDERGROUND ELECTRIC SERVICE CONVERSION.

RECOMMENDATION:

It is recommended that the City Council

- 1 Find the project proposed herein to be exempt from California Environmental Quality Act ("CEQA") review pursuant to State CEQA Guidelines Section 15302, Replacement or Reconstruction, and
- 2 Accept the bid dated October 21, 2016 submitted by VCI Utility Services, Inc ("VCI") dba Vantage Utility Services in response to Bid Specifications LD-16-04 Furnish Labor and Materials for Underground Utility District No 08-1 Alpine Street (Marengo Avenue to El Molino Avenue) Private Property Conversions, and authorize the City Manager to enter into a contract with VCI in an amount not to exceed \$577,407 The award includes a base contract of \$524,915 and a contingency of \$52,492 to accommodate any necessary change orders

BACKGROUND:

The Alpine Underground Utility District ("Alpine District"), established in Fiscal Year 2009, provides for the undergrounding of electrical, cable and telephone utilities on Alpine Street from Marengo Avenue to El Molino Avenue

In July 2015, a contract was awarded to construct the underground electrical conduit system within the public right-of-way on Alpine Street from Marengo Avenue to El Molino Avenue The construction of the underground substructures was completed in February 2016 and the electrical portion of the work, such as the purchase of the electrical cable, cable pulling and terminating, was completed by Pasadena Water and Power ("PWP") in

June 2016 This included the installation of utility laterals terminating at the property line of each private parcel within the Alpine District

The next phase includes having the overhead electrical, cable and telephone services on up to forty-one private properties be converted to underground This work includes the installation of conduits on private property and electrical panel service connections and must be completed before the utility poles and overhead electrical, telephone and cable wires can be removed In order to expedite and facilitate the undergrounding work on private property, PWP recommends securing the services of a single general contractor to perform this work for the property owners

PWP has sent letters to the affected property owners on Alpine Street to inform them of the options for utility undergrounding on their property Thirty-eight property owners have chosen to use the City's contractor and have furnished the City with a signed "Right of Entry " These properties will be connected to underground electrical systems at no cost to them Property owners who do not wish to utilize the City's contractor must go through the process of procuring their own contractor.

On September 9, 2016, Specifications LD-16-04 Alpine District Private Property Conversion was advertised in the *Pasadena Journal* In addition, a Notice Inviting Bids was published on Planet Bids as well as on the City's website Sixty prospective contractors downloaded the specification from Planet Bids, of which one is a Pasadena contractor A mandatory pre-bid meeting was held on October 12, 2016 to discuss the project specifics with interested bidders Eight contractors were represented at the meeting One responsive bid was opened on October 21, 2016

VCI Utility Services, Inc was the sole responsive bidder that met all of the requirements of the Bid Specifications Vendors that did not respond cited the following reasons for not responding to the bid request, lack of available resources and scope of work outside of vendor specialty The proposal was 1.5 percent below the engineer's estimate of \$532,529 Therefore, Staff recommends award of a contract to VCI for an amount not to exceed \$577,407 which includes the base bid amount and 10% contingency for any necessary change orders

This firm currently does not have a contract with the City, but has performed work for the City on past utility undergrounding type projects Since 2013, VCI has been awarded a total of one contract totaling \$1.8 million

The contract following table represents the contract summary

Base Bid	\$524,915
Contingency	\$52,492
Contract Not to Exceed	<u>\$577,407</u>

It is expected that the private property construction work will be completed within 120 working days after a Notice to Proceed is issued However, inclement weather and/or

delays obtaining building and safety inspection clearances may negatively impact the schedule. The proposed contract complies with Competitive Bidding and Purchasing Ordinance P M C 4 08 and the rules and regulations promulgated thereunder. In addition, the proposed contract fully complies with Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 15, 2014. The Contractor has indicated that the award will result in no new hires to its present workforce.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports the Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from CEQA pursuant to the State CEQA Guidelines Section 15302 (Replacement or Reconstruction), which exempts the replacement and/or reconstruction of existing facilities or structures, including utility systems and/or facilities, where the new facility will be located on the same site as the facility replaced and will have substantially the same purpose and capacity as the structure replaced. Section 15302(d) specifies that "conversion of overhead electric utility distribution lines where the surface is restored to the condition existing prior to the undergrounding" is specifically included in this exemption. The proposed work will provide construction necessary to maintain existing electrical infrastructure and operational flexibility. The proposed underground utility lines will be located within the existing utility right-of-way and the surface will be restored to match existing conditions.

FISCAL IMPACT:

The cost of this action will be \$577,407. Funding for this action will be addressed by utilizing existing appropriations in the Street Lighting and Electric System Undergrounding Capital Improvement Plan 3212, for the Alpine Utility Undergrounding District. A request for reimbursement will be made for these funds from the utility undergrounding fund 206. It is anticipated that all contract costs will be spent between FY 2017 and FY 2018.

Respectfully submitted,



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