

# Agenda Report

November 6, 2023

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT: REJECTION OF BID FOR PUBLIC HEALTH BUILDING TENANT IMPROVEMENTS PROJECT**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061(b)(3), the "Common Sense" exemption that CEQA only applies to projects that may have an effect on the environment.; and
2. Reject sole bid received on March 23, 2023, in response to the Notice Inviting Bids for the Public Health Building Tenant Improvements project.

**BACKGROUND:**

Since 1892, the Pasadena Public Health Department has been responsible for helping protect, maintain, and improve the health of the Pasadena community. Pasadena is one of only three cities in the State of California that maintains its own independent local health jurisdiction with responsibility for a wide variety of services.

The facility, located at 1845 N. Fair Oaks Ave., provides space for the following Health Department divisions: Administration and Finance, Health Promotion and Policy Development, Community Health Services, Social and Mental Health Services, and Environmental Health Services. Due to the COVID-19 pandemic and the expansion of the Infectious Disease Program, additional workspace is needed for staff. The project scope of work is to convert the existing unused laboratory space in the basement into usable office and cubicle workspaces. The improvements include electrical, plumbing, HVAC, and technology upgrades.

## Rejection of Bid for Public Health Building Tenant Improvements

November 6, 2023

Page 2 of 3

The Department of Public Works prepared plans and specifications for the subject contract. Bids were requested and received in accordance with Section 4.08.070 of the Pasadena Municipal Code. On February 9, 2023, a Notice Inviting Bids for the Public Health Building Tenant Improvements project was posted on OpenGov Procurement. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 37 vendors downloaded the specifications, of which one was local. One bid was received by the bid opening date on March 2, 2023, none from local vendors.

The submitted bid was \$459,357 and exceeds the Engineer's Cost Estimate by over 84%. Upon review of the bid received from this solicitation, staff determined this responsive and responsible bid significantly exceeds the project's \$250,000 budget. As such, staff concluded it is in the City's best interest for City Council to reject the current bid received as required by the Pasadena Municipal Code. Staff will subsequently revise the project plans and specifications to provide additional details and modify the scope of work to obtain more competitive bids for construction. Furniture replacement and installation of new flooring throughout will be deleted from the scope of work. The updated construction documents will be used to solicit competitive proposals from Sourcewell and award in early 2024. Sourcewell operates as a service cooperative and acts as a national municipal contracting agency which establishes and provides nationally leveraged and competitively solicited construction contracts that can be utilized by member agencies such as the City of Pasadena.

### **COUNCIL POLICY CONSIDERATION:**

This proposed action is consistent with the City Council Strategic Planning Goals to maintain fiscal responsibility and stability.

### **ENVIRONMENTAL ANALYSIS:**

This action is exempt from the CEQA in accordance with Title 14, Chapter 3, Article 19, Section 15061(b)(3), the commonsense exemption that CEQA only applies to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**FISCAL IMPACT:**

There is no fiscal impact as a result of this action.

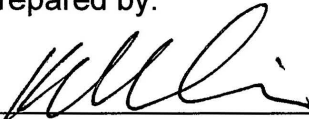
Respectfully submitted:



---

TONY OLMOS, P.E.  
Director of Public Works

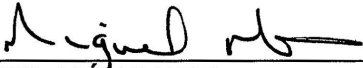
Prepared by:



---

Kris Markarian, P.E.  
Deputy Director of Public Works/City Engineer

Approved by:



---

MIGUEL MARQUEZ  
City Manager