



# Agenda Report

May 11, 2026

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT:** **AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH HOULLA ENTERPRISES LTD. DBA METRO BUILDERS & ENGINEERS GROUP, LTD. FOR THE MODERNIZATION OF BUSCH GARDEN AND ROSEMONT SEWER PUMP STATIONS PROJECT FOR AN AMOUNT NOT-TO-EXCEED \$3,794,453**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the contract proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) pursuant to California Code of Regulations, Title 14, Division 6, Chapter 3, Article 19, §15302, Replacement or Reconstruction, Class 2, (c), and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances;
2. Award contract to the lowest and best bid dated April 7, 2026 submitted by Metro Builders & Engineers' Group, Ltd. in response to the bid specifications for the Modernization of Busch Garden and Rosemont Sewer Pump Stations project, authorize the City Manager to enter into a contract for a total not-to-exceed amount of \$3,794,453, which includes the base contract amount of \$3,299,524 and a contingency of \$494,929 to provide for unforeseen change orders; and
3. Authorize the City Manager to approve within contract authority, amendments to the subject contract including durational extensions.

## **BACKGROUND:**

The City of Pasadena operates three sewer pump stations that lift wastewater from low-lying areas into the gravity sewer system. As part of the FY 2019 Sewer Master Plan, all three facilities were evaluated against current standards. While the Rockwood Pump Station, constructed in 2016, remains in good condition, the Rosemont and Busch Garden pump stations, originally built in the 1940s and largely unmodified since, are over 70 years old and no longer meet current operational and reliability standards.

Both the Rosemont and Busch Garden pump stations lack modern reliability and operational features typical of modern facilities. Neither station has the ability to connect to a backup generator, leaving them vulnerable during power outages. In addition, the facilities lack remote monitoring and alarm capabilities, do not meet current electrical classification requirements, and have limited accessibility for maintenance and operations. These deficiencies, combined with their age and outdated configurations, increase the risk of service interruptions and make ongoing maintenance more difficult and less efficient.

The Modernization of the Busch Garden and Rosemont Sewer Pump Stations project was initiated by the Department of Public Works to address aging and outdated infrastructure. The proposed improvements will enhance the reliability and resilience of both facilities, reduce long-term maintenance needs, and provide improved monitoring and operational control.

The project includes removal and replacement of outdated mechanical, electrical, and structural components at both sites, including full demolition of the existing Busch Garden pump station building. Improvements include installation of new pumps and a precast concrete wet well, upgraded electrical systems, and a remote monitoring and alarm system to improve operational visibility and response. A temporary bypass system will be implemented during construction to maintain continuous sewer service.

The Department of Public Works prepared plans and specifications for the Modernization of Busch Garden and Rosemont Sewer Pump Stations. Bids were requested and received in accordance with Section 4.08.070 of the Pasadena Municipal Code. On November 6, 2025, a Notice of Inviting Bids for the Modernization of Busch Garden and Rosemont Sewer Pump Stations Project was published in 22 trade journals, as well as posted on OpenGov Procurement. The posting generated notices to all vendors who had previously registered with the City for this particular commodity class. A total of 90 vendors downloaded the contract documents, six were local. A total of five bids were received by the bid opening date, one was local.

Following advertising, bids were electronically received on December 11, 2025, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Mehta Mechanical Company, Inc., La Palma, CA	\$ 3,440,000
2. Mike Bubalo Construction Co., Inc., Baldwin Park, CA	\$ 4,422,000
3. Crosby Plumbing, Inc., Altadena, CA	\$ 2,444,000 (non-responsive)
4. CWS Systems Inc., Pasadena, CA	\$ 4,298,000 (non-responsive)
5. Caliagua, Inc., Anaheim, CA	\$ 4,646,400 (non-responsive)
<b>Engineer's Estimate</b>	<b>\$ 3,402,000</b>

Crosby Plumbing, Inc. submitted the lowest bid; however, the bid was determined to be non-responsive. The Notice Inviting Bids required bidders to demonstrate experience on at least two projects of similar scope and size. Crosby Plumbing, Inc. did not provide evidence of relevant experience with sewer pump stations, chemical storage and feed systems, electrical systems, or data acquisition communication systems.

In addition, Crosby Plumbing, Inc. and CWS Systems Inc. failed to identify a qualified electrical subcontractor to perform the required electrical work and are not properly licensed to self-perform this specialty work.

Caliagua, Inc. was also determined to be non-responsive for failing to properly complete a required form, as specified in the Notice Inviting Bids as grounds for deeming a bid non-responsive.

Accordingly, the aforementioned bids were deemed non-responsive due to deficiencies including failure to list required subcontractors, incomplete submission of required documentation, and insufficient demonstrated experience performing similar work.

Upon detailed review of the bid proposals, staff also identified inconsistencies in the interpretation of contractor licensing and experience requirements. To ensure fair and consistent competition, the project was re-advertised.

Subsequently, on March 12, 2026, an updated Notice of Inviting Bids for the Modernization of Busch Garden and Rosemont Sewer Pump Stations Project was published in 22 trade journals, as well as posted on OpenGov Procurement. The posting generated notices to all vendors who had previously registered with the City for this particular commodity class. A total of 60 vendors downloaded the contract documents, two were local. A total of two bids were received by the bid opening date, none were local.

Following advertising, bids were electronically received on April 7, 2026, and are as follows:

<u>Bidder</u>	<u>Amount (\$)</u>
1. Metro Builders & Engineers Group, Ltd., Newport Beach, CA	\$ 3,299,524
2. Mehta Mechanical Company, Inc., La Palma, CA	\$ 4,184,000
<b>Engineer's Estimate</b>	<b>\$ 3,402,000</b>

The lowest and best bid received is approximately three percent lower than the Engineer's Estimate.

It is recommended that Metro Builders & Engineers Group, Ltd. be awarded the contract for this project as they are the lowest and best bidder. The proposed contract with Metro Builders & Engineers Group, Ltd., fully complies with the Competitive Bidding and Living

Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014. The contractor has indicated that the awarding of this contract will result in three new hires to the present workforce. In accordance with Local Preference provisions of the contract, the contractor is encouraged to recruit Pasadena residents initially and to give them preference, if all other factors are equal, for any new positions generated from this contract.

Metro Builders & Engineers Group, Ltd. has not previously performed work for the City. Staff has confirmed the contractor's license, and their Department of Industrial Relations status is in good standing. The contractor has also received favorable reference checks from other agencies.

The proposed contract will be set up as follows:

Base Bid	\$ 3,299,524
<u>Contingency (15%)</u>	<u>\$ 494,929</u>
Contract Not-to-Exceed Amount	\$ 3,794,453

A contingency of 15 percent is allocated to this contract given the high possibility of unforeseen conditions and uncertainties that may be encountered in performance of the contracted work. It is anticipated that material procurement will begin in July 2026 and construction is forecasted to begin May 2027.

**COUNCIL POLICY CONSIDERATION:**

This contract is consistent with the City Council's goal to improve, maintain, and enhance public facilities and infrastructure, and improve public safety throughout the City. It also supports the Land Use Element Policy 10.16 (Infrastructure) by designing, constructing, maintaining, and improving Pasadena's infrastructure to conserve and reduce impacts to the natural environment; and Policy 16.2 (Service Adequacy) by periodically reviewing the impacts of major physical, environmental, economic and social changes and identifying their implications in meeting the service needs of Pasadena's residents.

**ENVIRONMENTAL ANALYSIS:**

The contract award has been determined to be categorically exempt under the California Environmental Quality Act (California Code of Regulations, Title 14, Division 6, Chapter 3, Article 19, §15302, Replacement or Reconstruction, Class 2, (c)). Class 2 exempts from environmental review the "Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity". The proposed replacement pumps would be located on the same site as the existing pumps and will have substantially the same purpose and capacity as those replaced. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

**FISCAL IMPACT:**

The cost of this contract including contingency is \$3,794,453 and the total cost of this action will be \$4,150,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the *Modernization of Busch Garden and Rosemont Sewer Pump Stations (76917)* CIP project. It is anticipated all costs will be expended in FY 2028. There is no impact to the General Fund, as the project is fully funded through the Sewer Fund, which is supported by user fees.

The following table represents a project summary.

Base Bid	\$ 3,299,524
Contingency	\$ 494,929
Construction Administration, Materials Testing, and Inspection	\$ 355,547
<b>Total Fiscal Impact</b>	<b>\$ 4,150,000</b>

Respectfully submitted,



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GREG DE VINCK, P.E.  
Director of Public Works

Prepared by:



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Approved by:



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MATTHEW E. HAWKESWORTH  
Interim City Manager