TO:        HONORABLE CITY COUNCIL
FROM:      CITY MANAGER        DEPARTMENT: UTILITIES
DATE:      MAY 2, 2005        CMR:224:05

SUBJECT: APPROVAL OF A UTILITIES ENTERPRISE FUND CONTRACT WITH CAN-AM COMMUNICATION, INC. IN THE AMOUNT OF $402,470 FOR INSTALLATION OF THE ELECTRIC AND STREET LIGHT SUBSTRUCTURE FOR THE HOLLY OAKS/AMES AVENUE/CORK OAK WAY AND CHRISTINE DRIVE SYSTEM REBUILD PROJECT

RECOMMENDATION

Staff recommends that Council:

1. Approve and authorize the City Manager to execute the attached contract with Can-Am Communications, Inc. in the amount of $402,470 for the Holly Oaks/ Ames Ave/Cork Oak Way/Christine Drive System Rebuild project.

2. Authorize the City Manager or his designee to negotiate and execute one or more change orders to the contract with Can-Am Communications, Inc. for related, additional but unforeseen work which may develop during the project, the total value of which shall not exceed $40,000.

DISCUSSION

Project Description
The work to be performed under the contract is for the Holly Oaks/ Ames Ave/Cork Oak Way/Christine Drive System Rebuild project.

The existing electric utilities and the street light circuits in the Holly Oaks/ Ames Ave/Cork Oak Way/Christine Drive project area have exceeded their useful life of 30 to 40 years and have failed several times in the past resulting in extensive outage time and costly temporary repairs. Before additional failures begin to occur, this project proposes to rebuild the entire electric circuits in lieu of continuing to maintain the old deteriorated system by making temporary repairs on an as-needed basis.
The replacement will be performed by installing underground conduits, cables and associated electric facilities in the public right-of-way (street and sidewalk) and on easements back of sidewalk. The new system will have pad-mounted equipment similar to existing system and will be installed on concrete pads along the planter strip back of sidewalk.

The work on this project is being performed by contract because the City does not have the staff and the equipment to install the substructure required for this project.

**Summary of Bid Process**

<table>
<thead>
<tr>
<th>Bid Name</th>
<th>Holly Oaks/Ames/Christine Drive System Rebuild Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Length of Project</td>
<td>3 months</td>
</tr>
<tr>
<td>Number of Bids Mailed to Contractors</td>
<td>4</td>
</tr>
<tr>
<td>Number of Bids Mailed to Builder's Exchanges</td>
<td>8</td>
</tr>
<tr>
<td>Total Days to Respond to Bid</td>
<td>21</td>
</tr>
<tr>
<td>Pre-Bid Meeting?</td>
<td>No</td>
</tr>
<tr>
<td>Number of Company Attendees at Pre-Bid Meeting</td>
<td>N/A</td>
</tr>
<tr>
<td>Number of Bids Received:</td>
<td>3</td>
</tr>
<tr>
<td>Bid Price Range</td>
<td>From a low of $402,469 to a high of $998,460</td>
</tr>
</tbody>
</table>

*Bid summary provided in Attachment B.

Staff has reviewed all bids submitted and recommends that the bid of $402,470, submitted by Can-Am Communications, Inc. be accepted and that Can-Am Communications, Inc. be declared the lowest responsible bidder. The bid is less than 2 percent above the engineer's estimate of $395,000. The change order amount of $40,000, which equals 10% percent of the total contract, is requested for related unforeseen work, which may develop during the project.

Staff confirmed with the Contractor's State License Board that the contractor has an active license on file. Staff checked references supplied by the contractor for previous work performed and found no significant complaints.

**RESOURCE IMPACT**

Funds for this project are included in the FY 2004/05 Utilities Department Electric CIP No. EL04005 budget and from Public Works Miscellaneous Projects Budget- Street Light Improvements PO-05054.

Utilities Engineering has sufficient resources to manage this contract work with existing staff.

**POLICY IMPLICATIONS**

The award of this contract does not represent any changes to existing City policy and is consistent with the Council approved Utilities Strategy No.1: Operate distribution system in a
cost effective manner; and Strategy No.7: Implement programs that improve the quality of the environment.

**ENVIRONMENTAL REVIEW**

This project is categorically exempt from the provisions of the California Environmental Quality Act and no further environmental review is necessary.

**ATTACHMENTS**

A. Contract  
B. Bid Summary  
C. Project Location Maps

**PREPARED BY:**

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**DEPARTMENT HEAD:**

JOHN ULRICH  
Director of Utilities

**CITY MANAGER APPROVAL:**

EMILY HARRISON  
Assistant City Manager