

**City of Culver City, California
Agenda Item Report**

Meeting Date: 06/04/12		Item Number: <u>C-7</u>	
CITY COUNCIL AGENDA ITEM: (1) Reject the Bid Submitted by Pro Tech Engineering Corporation and (2) Award of Contract to Sully-Miller Contracting Company as the Lowest Responsive and Responsible Bidder for the Construction of Washington Boulevard and Washington Place Streetlight Improvement Project, P-853 & 684, and Induction Streetlight Conversion Project.			
Contact Person/Dept.: Lee Torres/PW		Phone Number: (310) 253-5623	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Agenda and Meetings – City Council (05/30/2012); (E-Mail) All bidders (05/31/12)			
Department Approval: Charles D. Herbertson (05/23/12)		City Attorney Approval: Carol Schwab (by H. Baker) (05/30/12)	
Chief Financial Officer Approval: Jeff Muir (by K. Marsden) (05/30/12)		City Manager Approval: John M. Nachbar (05/30/12)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: 1) Reject the bid submitted by Pro Tech Engineering Corporation as non-responsive; and, 2) Award a construction contract to Sully-Miller Contracting Company (Sully-Miller), as the lowest responsive and responsible bidder, to complete the necessary work for the Washington Boulevard and Washington Place Streetlight Improvement Project, P-853 and P-684, and Induction Streetlight Conversion Project. <u>BACKGROUND:</u> <i>Washington Place and Washington Boulevard Streetlight Improvement Projects, P-684 and P-853</i> On June 27, 2011 the City Council authorized the advertisement for solicitation of bids for the Washington Boulevard and Washington Place Streetlight Improvement Project and the Induction Streetlight Conversion Project. Should the City Council award the contract, these projects will replace and upgrade the existing streetlight system, which has become obsolete. The work will occur on Washington Boulevard between Marcasei Avenue and Berryman Avenue and on Washington Place between Sepulveda Boulevard and Albright Avenue. The scope of work includes the replacement of the conduits, wiring, and the removal and			

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replacement of twelve (12) existing non-standard streetlights with new 28-foot-high 'Cobra-head' streetlights to include new fixtures with energy efficient 250 W Induction lamps, and the replacement of fifty-one (51) luminaries with new fixtures and 250 W Induction lamps on existing 'Cobra-head' streetlights.

SCE On-Bill Financing Program

On March 28, 2011, the City Council approved entering into an agreement with Southern California Edison to use their *On-Bill Financing Program* to finance an energy efficient street light project . Through this program, approximately 625 high pressure sodium streetlights were proposed to be converted to energy efficient 'Induction' lamps using funds from a zero percent interest loan to be paid back with the energy savings from the project.

After the City Council approved the advertisement of construction bids for the project in June 2011, staff determined that many of the proposed locations for conversion would not meet the spacing requirements of streetlights by the Illuminating Engineering Society (IES) roadway lighting standards using lower lamp wattages. Therefore, staff conducted a City-wide survey of other potential streetlights for conversion and found only 494 streetlights to be appropriate for conversion as shown on the attached list. Staff met with Southern California Edison (SCE) representatives regarding the reduction from 625 to 494 streetlight locations for induction lamps. Of the proposed 494 streetlights conversions, 378 streetlights would be converted from 250W HPS to 150W Induction and 116 streetlights would be converted from 400W HPS to 250W Induction. SCE responded that this change in project scope would not affect the Culver City's eligibility on their *On-Bill Financing Program*.

Staff included 133 intersection safety lights for conversion to the energy efficient induction lamps in order to provide continuity between segments of the streetlights replacements as shown in the attachment. The conversions of the safety lights are not eligible for SCE's *On-Bill Financing Program*, as they are generally not suitable for wattage reductions.

Due to the city-wide survey of finding new streetlights for conversion and the resignation of an Associate Engineer, this project was reprioritized for construction from Summer 2011 to Spring 2012.

DISCUSSION:

On May 3, 2012, the City Clerk's Office staff publicly opened the bids. Five (5) contractors responded with the following bid amounts:

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<u>CONTRACTOR</u>		<u>BID AMOUNTS</u>
1	Pro Tech Engineering Corp., Corona Del Mar, CA	\$757,500.00
2	Sully-Miller Contracting Company, Brea, CA	\$860,708.00
3	Dynaelectric, Los Alamitos, CA	\$896,531.00
4	California Professional Engineering, Inc., La Puente, CA	\$931,775.00
5	Steiny and Company, Baldwin Park, CA	\$945,497.00

The bid proposal from Pro Tech Engineering Corp. (Pro Tech) was reviewed and found to be non-responsive. Pro Tech did not use the revised bid forms schedule per the Addendum #2 released during the bidding period. It was also discovered that the bid proposal contained mathematical errors.

On May 11, 2012, Pro Tech acknowledged the errors in a letter to the City and requested that their bid proposal be withdrawn from consideration. Staff replied with a letter to Pro Tech on May 14, 2012, approving the withdrawal of their bid.

Staff reviewed the bid proposal of the second lowest bidder, Sully-Miller Contracting Company (Sully-Miller), and found the bid documents responsive and complete. Its bid bond, contractor's license, and worker's compensation insurance were reviewed and determined to meet City requirements. Sully-Miller has completed similar streetlight improvement projects with other municipal agencies in the local region, including the cities of Downey and Long Beach, and Caltrans, with favorable comments.

Staff recommends that the City Council authorize the Public Works Director/City Engineer to approve change orders in the amount not-to-exceed \$100,000 (12%), if necessary for unforeseen conditions or project enhancements.

FISCAL ANALYSIS:

The following chart contains fiscal information regarding award of the contract:

Proposed Project Budget	
P-684 Gas Tax Funds (41800684)	\$ 453,636.00
P-853 Gas Tax Funds (41800853)	\$ 480,839.00
P-684 General Funds (42000684)	\$ 760,081.00
Available Funds	\$1,694,556.00

Proposed Base Bid	
Washington Blvd Streetlight Improvement	\$259,035.00

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Project	
Washington Place Streetlight Improvement Project	\$190,773.00
Induction Streetlight Conversion Project	\$294,328.00
Induction Safety Light at Intersections Conversion Project	\$116,572.00
Total Construction Contract Base Bid	\$860,708.00

Estimated Project Expenses	
Construction Contract (Base Bid)	\$860,708.00
12% contingency	\$100,000.00
Subtotal	\$960,708.00
Construction Inspection Services	\$ 50,000.00
Geotechnical Construction Services (Observation & Testing)	\$ 5,000.00
Total Estimated Project Expenses	\$1,015,708.00

It is estimated that \$200,000 in energy savings will be used to pay back the zero-interest loan from SCE in not more than 10 years.

The remaining funds in the amount of \$678,909 will be available for other future streetlight projects.

ATTACHMENTS:

1. Location Map for induction conversions
2. Inventory of locations for induction conversions
3. Inventory of locations for safety light conversions

MOTIONS:

That the City Council:

- 1) Reject the bid submitted by Pro Tech Engineering Corporation as non-responsive; and,
- 2) Award a contract to Sully-Miller Contracting Company as the lowest responsive and responsible bidder for the Washington Boulevard and Washington Place Streetlight Improvement Project, and the Induction Streetlight Conversion Project in the amount of, \$860,708.00; and,
- 3) Authorize the Public Works Director/City Engineer to approve change orders in an amount not-to-exceed \$ 100,000.00, if necessary; and,

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- 4) Authorize the City Attorney to review/prepare the necessary documents; and.
- 5) Authorize the City Manager to execute such documents on behalf of the City.