

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 4/17/06		Item Number: <u>C-2</u>	
AGENDA ITEM: Consideration to Award a Construction Contract to Terno, Inc. for the Krueger and Lindblade Streets Streetlight Improvement Projects			
Contact Person/Dept.: Lee Torres/PW		Phone Number: 310.253.5623	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master Notification List (04/13/06); Krueger Street Residents (Ince Boulevard to its northerly terminus) and Lindblade Street Businesses (Higuera Street to its northerly terminus) via First Class Postcard, mailed April 10, 2006. Terno, inc.; Dynalectric; and Steiny and Company, Inc. were notified by telephone on April 10, 2006.			
Department Approval: Charles D. Herbertson (04/07/06)		CAO Approval: Martin R. Cole for Jerry B. Fulwood (04/13/06)	
City Controller Approval: Marlee Chang (04/13/06)			

RECOMMENDATION:

Staff recommends the City Council award a construction contract to Terno, Inc., as the lowest responsive and responsible bidder, to complete the necessary work for the Krueger and Lindblade Streets Streetlight Improvement Projects, P-652 and P-684.

BACKGROUND:

On June 27, 2005, City Council approved the specifications and authorized advertising for bids for the Krueger and Lindblade Streets Streetlight Improvement Projects, P-652 and P-684.

The existing streetlight system on Krueger Street between Ince Boulevard and its northerly terminus and Lindblade Street between Higuera Street and its northerly terminus was identified as an area which could benefit from streetlight improvements. The existing streetlight system is over 40 years old and in need of upgrade for several reasons:

- It is on series circuit and is over 40 years old;
- It has lead wiring which tends to corrode;
- It runs on high voltage; and,
- It does not provide an optimal level of illumination.

The upgraded system will address these issues. Series circuitry is outdated and no longer used for street lighting systems due to its inherent maintenance problems, which include:

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- If one section of the circuit is damaged, the other lights on the circuit fail.
- The old lead wiring is prone to causing outages
- Extreme care is required when maintaining the existing high voltage circuitry as opposed to the new system which is on low voltage circuitry.

DISCUSSION:

The scope of work along Krueger Street consists of the removal and replacement of the existing streetlights with one (1) 25-foot-high 'Cobra-head' streetlight at the street terminus; and fourteen (14) 11-foot-high traditional marberlite standards with 'acorn' lamps.

The scope of work along Lindblade Street consists of the removal and replacement of existing streetlights with six (6) 25-foot-high fluted-steel standards. The new lights will be on parallel circuitry and spaced such that an optimal level of illumination is provided.

First Bid Advertisement

In August 2005, the Krueger and Lindblade Streetlight Improvement Project received no construction bids. Contractors informed staff that they were not willing to bid the project due to their current busy workload.

In September 2005, a memorandum to the City Council explained the reason for no bids results and staff's recommendation to combine the streetlight project with the Higuera Street Traffic Signal Project in order to encourage more bidders and competitive bids.

Second Bid Advertisement

In October 2005, Hurricanes Katrina and Rita caused significant damage to infrastructure that resulted in the spike in oil and natural material prices. Staff decided to wait several months until the market returned to normal levels. In March 2006, Higuera Street Traffic Signal and Street Improvement and Krueger-Lindblade Streetlight Improvement Project were advertised for construction bids. However, due to revised Federal requirements that may affect the bid, the Higuera Street Traffic Signal Project was omitted from the bid. Higuera Street Traffic Signal will be re-advertised for construction bids next month.

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On April 6, 2006, the Deputy City Clerk publicly opened bids. Three Contractors responded with the following bid amounts:

<u>CONTRACTOR</u>	<u>BID AMOUNTS</u>
1. Terno, Inc., of La Mirada, CA	\$ 319,700.00
2. Dynalectric, of Los Alamitos, CA	\$ 346,643.43
3. Steiny and Company, Inc., of Baldwin Park, CA	\$ 353,442.00

Staff reviewed the lowest bidder's bid proposal (Terno, Inc.) and found the bid documents complete. The bonding information was reviewed and determined to meet City requirements.

Terno, Inc. is a new company, but has completed several projects for municipal agencies in the past year. A representative from the City of West Covina indicated that the Company performed in a professional manner, was very responsive and recommended them for future projects.

The construction management and construction inspection will be performed by Engineering Division staff.

Construction is slated to begin in May 2006 and expected to be completed in July 2006.

FISCAL ANALYSIS:

Sufficient funds were appropriated for these projects in the Capital Improvement Budget for Fiscal Year 2005/06 with Gas Tax funds (Business Unit 41800652 and 41800684).

ATTACHMENT:

1. Location Map.

MOTION:

That the City Council:

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- 1) Award a construction contract to Terno, Inc. for the Krueger and Lindblade Streets Streetlight Projects, P-652 & 684, based on its bid amount of \$319,700.00;
- 2) Authorize the Public Works Director/City Engineer to approve change orders not exceeding the contract amount by 10%; and
- 2) Direct the City Attorney to prepare the necessary documents and authorize the Chief Administrative Officer to approve the documents.