



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: August 18, 2009

TO: Mayor and Councilmembers

FROM: Engineering Division, Public Works Department

SUBJECT: Contract For Construction Of Streetlight Improvements Project In Underground Utility District No. 10 Cliff Drive

RECOMMENDATION: That Council:

- A. Find that, in accordance with City Charter Section 519, and as stated in this staff report, the City may dispense with the public bidding process for the Streetlight Improvements Project (Streetlight Project) in Underground Utility District No. 10 Cliff Drive;
- B. Award and authorize the Public Works Director to execute a contract with the successful bidder, Tidwell Excavation Acquisition Co, Inc. (Tidwell), in the amount of \$567,697.51, for construction of the Streetlight Project, City Bid No. 3569, and authorize the Public Works Director to approve expenditures up to \$56,700 to cover any cost increases that may result from contract change orders for extra work and differences between estimated quantities and actual quantities measured for payment, and authorize the Public Works Director to accept the final contract amount, with approved changes, and to file all Notices of Completion with the County Clerk-Recorder's Office;
- C. Authorize the Public Works Director and City Attorney to negotiate with Verizon California, Inc. (Verizon) and Cox Communications (Cox) to delete or reduce the private service lateral costs in the City's contract with Tidwell, in accordance with the California Public Utilities Code (CPUC) regulations, or other regulations and ordinances, as applicable;
- D. Authorize the General Services Manager to issue a Purchase Order to Facilities Management Specialists (FMS) in the amount of \$40,000 for construction support services, and authorize the General Services Manager to approve expenditures of up to \$4,000 for extra services of FMS that may result from necessary changes in the scope of work;
- E. Authorize the General Services Manager to issue a Purchase Order to Steve Friesen Utility Consultant in the amount of \$5,000 for construction support services; and
- F. Authorize the General Services Manager to issue a Purchase Order to Santa Barbara Electrical Design (SBED), in the amount of \$10,000 for design support services during construction.

EXECUTIVE SUMMARY:

On June 6, 2006, Council approved the Planning Commission's recommendation for the next City Underground Utility District project (UUD Project) to be in the vicinity of the Cliff Drive and Meigs Road intersection. At the August 1, 2006, session, Council approved the proposed UUD Project boundary. A public meeting was held and Council adopted Resolution No. 06-075, creating Underground Utility District No. 10 on Cliff Drive. The UUD Project cost estimate remains at \$4.5 million.

At the October 9, 2007, session, Council approved supplementing the UUD Project scope by adding new and enhanced City owned and maintained streetlighting and upgraded electrical circuitry.

DISCUSSION:

PROJECT DESCRIPTION

The Underground Utility District Project (UUD Project) design includes the undergrounding of overhead utilities on Cliff Drive from Fire Station No. 6 west to Mesa Lane, and also includes portions of Lighthouse Road, Meigs Road, Camino Calma, and Flora Vista Drive (see Attachment). The UUD Project is funded by utility rate payer fees.

The proposed City funded improvements include installation of 12 replacement streetlights and 7 new streetlights, for a total of 19 new City owned and maintained streetlights along Cliff Drive, and the conversion of 2 high voltage streetlight circuits to conventional low voltage 120 volt circuits.

The Tidwell construction contract includes City improvements as described above and includes the cost to install and connect the Verizon and Cox private service laterals for the UUD Project. As reported to Council on August 22, 2006, staff anticipated the City would participate in the cost for the connection of the Verizon and Cox private service laterals. However, in light of recent CPUC information about applicable tariffs, rules and regulations (received during the bidding process), such information appears to require telephone providers to underground their own laterals at their expense. In the past, Cox has provided their own underground laterals to the same extent as Verizon. Consequently, staff is working with Verizon and Cox to determine the extent of their respective responsibilities for payment of these private service laterals. At the present time, Verizon disputes that the entire cost of their lateral undergrounding must be at their expense and Cox has yet to respond to the City's request that Cox pay for the entire cost of their lateral undergrounding. The resolution of this disagreement is expected to result in either a reimbursement to the City by Verizon and/or Cox, or a change order deduction from the City's contract with Tidwell for any work deleted or reduced. It may also be necessary for the City to seek a ruling from the CPUC in the

City's favor concerning this cost. The resolution of this item shall meet the approval of the Public Works Director and the City Attorney.

BIDDING PROCESS

City Charter Section 519 allows the City to dispense with public bidding if it is in the interest of efficiency and fiscal economy, and if the project can be performed more economically and efficiently by City employees working in conjunction with private contractors or subcontractors. The UUD Project was bid by Southern California Edison (SCE) in accordance with their bidding process for Rule 20A projects. Each participating agency will have a separate construction contract with the UUD Project's lowest responsive bidder. Eight contractors were pre-qualified by the participating utility companies (SCE, Verizon, and Cox) and invited to competitively bid on the UUD Project, and Tidwell is the apparent low bidder. The City and all participating agencies will achieve cost savings benefits by utilizing common trenches. As a result, the City will save 85% of the trenching cost as compared to the City bidding the work separately. Staff recommends awarding a contract to Tidwell for the City's portion of work.

The contract amount of \$567,697.51, submitted by Tidwell for the City's portion of work, is acceptable, responsive, and meets the requirements of the City's contract specifications. The contract amount is approximately \$100,000 less than the design cost estimate.

The change order funding recommendation of \$56,700, or approximately 10%, is typical for this type of work and size of project.

CONSTRUCTION PHASE CONTRACT SERVICES

Staff recommends that Council authorize the General Services Manager to issue Purchase Orders to FMS in the amount of \$40,000 for construction support services, Steve Friesen Utility Consultant in the amount of \$5,000 for technical support services, and SBED in the amount of \$10,000 for design support services during construction.

FUNDING

The City's portion of work for the entire project is funded by the Utility Underground Fund and there are sufficient funds to cover the City costs. The Utility Underground Fund will be the funding source for City obligations pertaining to private service laterals and connections, defraying all costs to property owners.

The following summarizes the expenditures recommended in this report:

CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
Tidwell	\$567,697.51	\$56,700	\$624,397.51
FMS	\$40,000.00	\$4,000.00	\$44,000.00
Steve Friesen Utility Consultant	\$5,000.00		\$5,000.00
SBED	\$10,000.00		\$10,000.00
TOTAL RECOMMENDED AUTHORIZATION			\$683,397.51

The following summarizes project design costs, construction contract funding, and other project costs:

ESTIMATED TOTAL PROJECT COST

Design by Contract	\$24,753.00
Consultant Support Services	\$59,000.00
Other Design Costs - City staff and Environmental Assessment	\$177,917.00
Subtotal	\$261,670.00
Construction Contract	\$567,697.51
Construction Change Order Allowance	\$56,700.00
FMS	\$44,000.00
Steve Friesen Utility Consultant	\$5,000.00
SBED	\$10,000.00
Subtotal	\$683,397.51
Construction Management/Inspection (by City Staff)	\$100,000.00
Subtotal	\$100,000.00
TOTAL PROJECT COST	\$1,045,067.51

SUSTAINABILITY IMPACT:

City maintenance and energy costs on existing streetlights will be reduced by approximately 25% by installing separately metered streetlights. However, this cost savings will be offset due to the additional energy used by the seven new streetlights. The new streetlights are also expected to minimize light pollution.

ATTACHMENT: Vicinity Map

PREPARED BY: John Ewasiuk, Principal Civil Engineer/LA/mj

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office

Underground Utility District (UUD) #10 Cliff Drive

