



AGENDA REPORT

Meeting Date: April 6, 2010

Item Number: G-16

To: Honorable Mayor & City Council

From: Ara Maloyan, Deputy City Engineer *AM*
Samer Elayyan, Civil Engineer *SE*

Subject: APPROVAL OF THE AWARD OF A CONTRACT TO THE LOWEST RESPONSIBLE BIDDER, TEKWORKS, INC., FOR THE RELOCATION OF EXISTING FIBER OPTIC LINE AND THE CONSTRUCTION OF NEW INFRASTRUCTURE FOR FUTURE I.T. AND SECURITY EQUIPMENT AT WATER RESERVOIR 7 SITE, WITHIN THE CITY OF BEVERLY HILLS, CALIFORNIA IN THE AMOUNT OF \$61,877; APPROVAL OF THE PLANS AND SPECIFICATIONS THEREFOR; AND

APPROVAL OF THE ISSUANCE OF A PURCHASE ORDER IN THE AMOUNT OF \$72,000 TO TEKWORKS, INC. FOR THE PROJECT

Attachment:

1. Agreement
2. Categorical Exemption

RECOMMENDATION

Staff recommends that the City Council move to approve the award of a contract to the lowest responsible bidder, TekWorks, Inc., for the relocation of existing fiber optic line and the construction of new infrastructure for future I.T. and security equipment at Water Reservoir 7 Site, within the City of Beverly Hills, California in the amount of \$61,877; approve the plans and specifications for the Project, dated December 2009, which are adopted and approved with respect to design criteria; approve a contingency in the amount of \$10,123 for change orders approved by the City; and approve the issuance of a purchase order in the amount of \$72,000.

INTRODUCTION

This report is a request for City Council approval to award a contract to the lowest responsible bidder for the relocation of existing fiber optic line and the construction of new infrastructure for future I.T. and security equipment at Water Reservoir 7 Site, within the City of Beverly Hills, California.

The plans and specifications for the Project, dated December 2009, were approved by a duly authorized California licensed engineer. Staff finds that the plans and specifications will safely implement the project.

DISCUSSION

Within the City of Beverly Hills potable water distribution system inventory are five flat bottom, ground supported circular steel water reservoir tanks, all located at five separate sites (3A, 4B, 5, 6, and 7) within the City.

The 50-60 year old existing tanks, which are an integral part of the City's water distribution system, need to be replaced to meet current Department of Public Health (DPH) drinking water standards, seismic design standards, and Cal OSHA safety standards.

In October 2009, Final Design Plans and specifications for the replacement of these five water reservoirs, replacement of on-site piping, and seismic retrofitting of the associated pump stations were prepared by Montgomery Watson Harza (MWH) and provided to four prequalified contractors to bid on this project. Bids were opened on January 12, 2010, and a construction contract was awarded to Pacific Tank and Construction, Inc. at February 2, 2010 City Council meeting. The replacement work for the steel tanks will be sequential over a 30-month period (not concurrent), with a tentative construction start date of May 1, 2010.

The proposed new tank at Site 7 is being increased in height and diameter to create a 1.5 MG capacity instead of the existing 1.2 MG capacity. This increase in the foot print of Tank 7 will affect the existing City's fiber optic line and copper cables at the site. Consequently, relocation of these conduits is necessary before the construction of the new tank starts, to avoid any interruption in the City's communication services. Also, the City's I.T. Department requested that infrastructure for future I.T. and security equipment be constructed as part of this project.

On December 14, 2009, the bid documents for the relocation of existing fiber optic line and the construction of new infrastructure for future I.T. and security equipment at Water Reservoir 7 Site were finalized by P2S Engineering, Inc. who was contracted by the City to prepare the design for this relocation project.

On December 17, 2009, a legal notice was posted in Beverly Hills Courier and Beverly Hills Weekly, on the City's website and was emailed to Bid America, Construction Bidboard, Reed Construction Data, and McGraw-Hill Construction Dodge requesting bids from specialized contractors. Bid documents specified that the contractor must be a Corning Cable Systems LAN-scape® Extended Warranty Program SM (EWP) Member and must provide a twenty-five written warranty certification and evidence of current EWP program membership. The City's existing backbone fiber optic system (of which the existing line at Tank Site 7 is a branch of) when initially installed in 2003, carries a warranty that specifically requires the use of Corning Certified contractors so that the original 25-year warranty remains valid.

On January 19, 2010, five bids were publicly opened in the City Clerk's Office. When bids were evaluated by staff, multiple errors were found in three of the five bids including the lowest bidder, and the second lowest bidder. After consultation with the City Attorney, staff determined that rejection of all bids and readvertising for bid would be in the best interest of the City.

Bid rejection was approved by the City Council on February 16 meeting, and staff re-advertised for bids on February 17, 2010, following the aforementioned bid advertisement process.

On March 16, 2010, five bids were publicly opened in the City Clerk's Office and they were read as follows:

Turn Around Communications	\$47,425
TekWorks, Inc.	\$61,877
Berg Electric Corp.	\$72,724
Moore Electrical Contracting, Inc.	\$77,821
Irish Construction	\$131,751

The engineering construction estimate was \$70,000.

The apparent lowest bidder, Turn Around Communications, did not include the required proof of experience, warranty information, and Corning manufacturers EWP certification copies in their bid package as stated in the "General Instructions to the Bidder" section of the Notice to Bidders. Hence, Turn Around Communications bid was deemed non responsive and was eliminated from consideration. The lowest bidder's (TekWorks, Inc.) bid package was complete and is therefore deemed responsive and true lowest responsible bidder.

All references contacted for the second lowest responsible bidder have been positive and staff recommends that the second lowest bid be accepted and awarded. The references contacted are:

- 1) Qualcomm, San Diego, California
- 2) Archnet, Corona, California
- 3) Synergy Electric, Santee, California

FISCAL IMPACT

A contingency allowance in the amount of \$10,123 has been included in the total purchase order amount of \$72,000. Any change orders that require expenditures from this allowance shall be made only upon written request in accordance with the City Ordinance No. 06-O-2504 regarding change orders.

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Funds for this project are provided as follows:

DEPT	FUND	PROJECT NUMBER	SUB-PROJECT NUMBER	FUNDING SOURCE	AMOUNT
35	80	0796	35-80-0796-85040	Water Enterprise Fund	\$72,000.00

Scott Miller
Finance Approval


FOR David Gustavson

Approved By

AGREEMENT

THIS AGREEMENT, made and entered into this 6th day of April, 2010, by and between the CITY OF BEVERLY HILLS, a municipal corporation, hereinafter referred to as "City", and

TekWorks, Inc.
13000 Gregg Street, Suite B
Poway, CA 92064

hereinafter referred to as "Contractor";

WITNESSETH

In this consideration of their covenants the parties hereto agree as follows:

1. Contractor shall furnish all labor, materials and equipment necessary to perform the following work in the City of Beverly Hills, California, strictly in accordance with the Notice to Bidders, Proposal form, Plans and Specifications for such improvement, Standard Contractual Requirements and inclusive of Addenda, each of which documents are made a part of this Contract as though fully set forth herein:

**RELOCATION OF EXISTING FIBER OPTIC LINE AND THE CONSTRUCTION OF NEW
INFRASTRUCTURE FOR FUTURE I.T. AND SECURITY EQUIPMENT AT WATER RESERVOIR 7 SITE,
WITHIN THE CITY OF BEVERLY HILLS, CALIFORNIA**

2. In consideration of such work City agrees to pay Contractor and Contractor agrees to accept the sum of **Sixty-One Thousand, Eight Hundred Seventy Seven (\$61,877)** in the manner provided in subject Plans and Specifications and subject to adjustment provided therein.

3. Concurrently with the execution of this Contract, Contractor shall file with the City the bonds and certificates of insurance specified in said Standard Contractual Requirements.

4. This Contract shall not be assigned without the written permission of the City Council.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above written.

ATTEST:

CITY OF BEVERLY HILLS,
A municipal corporation

BYRON POPE, City Clerk

JIMMY DELSHAD, Mayor

APPROVED AS TO CONTENT:

CONTRACTOR: TekWorks, Inc.

JEFFREY KOLIN, City Manager

KARL KIRKMAN, Risk Manager

DAVID D. GUSTAVSON, Director
Of Public Works & Transportation

APPROVED AS TO FORM:

FUNDS AVAILABLE:

LAURENCE WIENER, City Attorney

SCOTT MILLER, Director of Administrative Services/Chief
Financial Officer



BeverlyHills.org

CITY OF BEVERLY HILLS
COMMUNITY DEVELOPMENT DEPARTMENT- PLANNING DIVISION
455 North Rexford Drive
Beverly Hills, CA 90210-4817
(310) 285-1123
FAX: (310) 858-5966

Categorical Exemption

Name of Project Relocation of Existing Fiber Optic Line, and the Construction of
New Infrastructure for Future I.T. and Security Equipment.

Location Reservoir 7 Site, 405 Walker Drive, Beverly Hills, CA 90210

Type of Business (if commercial) _____

Project Description Relocate existing fiber optic line due to the larger footprint of
the future tank. In addition extra conduits for I.T. and security equipment will be part of this
project.

Applicant's Name City of Beverly Hills Phone 310-285-1000

Applicant's Address 455 North Rexford Drive

City Beverly Hills, CA Zip 90210

If different, provide:

Agent's Name _____ Phone _____

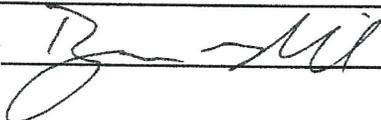
Agent's Address _____

City _____ Zip _____

The undersigned, having received this project for processing, has reviewed it for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills and no further environmental assessment is necessary.

Applicable Exemption Class Class 1(b)

Comments Class 1(b) exemption for the minor alteration/relocation of existing public facilities.

Reviewed by  Date 1/11/2010