



# *CITY COUNCIL AGENDA REPORT*

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MEETING DATE: August 16, 2004

ITEM NUMBER:

**SUBJECT:** SIGNAL/CCTV CABLE COMMUNICATIONS PROJECT - CITY PROJECT NO. 04-12

**DATE:** AUGUST 5, 2004

**FROM:** PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

**PRESENTATION BY:** WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ERNESTO MUNOZ, CITY ENGINEER, (714) 754-5343

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## **RECOMMENDATION:**

1. Reject all bids.
2. Authorize the readvertisement of the project.

## **BACKGROUND:**

In December of 2002, staff submitted grant applications to the Orange County Transportation Authority (OCTA) that included proposed improvements to the City's traffic signal and closed circuit television camera (CCTV) systems. In May of 2003, OCTA approved Measure "M" Signal Improvement Program (SIP) grant awards including \$212,364 for the Signal/CCTV Cable Communications Upgrade project and \$198,177 for the Costa Mesa/Huntington Beach Coordination Project, covering 79 percent of the costs for both projects. Portions of these projects were combined into one "Signal/CCTV Cable Communications Project" for contract efficiency.

The subject combined scope of construction work includes the following: installation of hardwire interconnect cable serving the traffic signal system; installation of fiber optic cable along various arterials serving the CCTV system; installation of conduit for new fiber optic and signal interconnect cable; City Traffic Operations Center CCTV fiber transmission integration; repair of existing cable and conduit infrastructure; installation of signal/CCTV communications cabinets; traffic signal modification at Adams Avenue and Mesa Verde Drive East; and traffic signal modification at Adams Avenue and the Pinecreek Drive/Orange Coast College entrance.

## **ANALYSIS:**

On July 19, 2004, the Deputy City Clerk received and opened four bids for this project. There were bidding irregularities in the two lowest bids.

The bid proposal from the two apparent low bidders, Dynalectric and Pro Tech Engineering, were incomplete, and contained irregularities that were inconsistent with the proposal instructions, which rendered the proposals as non-responsive. The bid proposal from the third lowest bidder, Moore Electrical, was responsive to the proposal instructions; however, the base bid proposal was in the amount of \$530,721, which exceeded the Engineer's estimate by \$105,331 (25 percent).

Since the two low apparent bidders' proposals were non-responsive, and the remaining two bids exceeded the funding allocation for this project, staff recommends all bids be rejected and the project readvertised. Readvertisement of the project will not only allow other potential bidders to submit bids for the project, but will also afford those bidders who submitted incomplete proposals the opportunity to submit responsive bids.

### **ALTERNATIVES CONSIDERED:**

The alternative to this recommendation is for Council to cancel the project. However, Council has previously approved the concept of this project and appropriated funding. Canceling the project would be inconsistent with the previous direction.

Another alternative would be to award the contract to Moore Electrical. If this alternative is chosen, additional funding sources must be identified to pay for this contract.

### **FISCAL REVIEW:**

There is no fiscal impact at this time if all bids are rejected and the project is readvertised as recommended.

Funding for the proposed project was approved in the 2003-04 Capital Improvement Program Budget via separate allocations of \$268,815 for the Signal/CCTV Cable Communications Upgrade project, and \$235,950 for the Costa Mesa/Huntington Beach Coordination Project. The OCTA grant covers 79 percent of the total costs for both projects. The Costa Mesa share is covered via Air Quality Management District (AQMD) funds.

### **LEGAL REVIEW:**

California Public Contract Code Section 20166 allows the legislative body, at its discretion, to reject any and all bids presented and to readvertise the project.

### **CONCLUSION:**

It is recommended that the City Council reject all bids; and authorize the readvertisement of the project.

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ERNESTO MUNOZ  
City Engineer

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WILLIAM J. MORRIS  
Director of Public Services

DISTRIBUTION: City Manager  
Acting City Attorney  
Deputy City Clerk  
Transportation Services Manager  
Staff  
File

ATTACHMENTS: "1" [Bid Abstract](#)

File Name Reject All Bids Signal Date 08-05-04  
Report

Time 2:45 p.m.