



## Legislation Text

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**File #:** 14-272, **Version:** 1

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Staff Report for a Resolution Awarding a Construction Contract to Flatiron Electric Group, Inc. for the Fiber Conduit for Broadband Network Project, Project No. 2013.0320

### **SUMMARY AND RECOMMENDATIONS**

The subject project will install conduit and pull boxes ready for the insertion of fiber optic communication cable.

Staff recommends that the City Council award the contract to the lowest responsible bidder, Flatiron Electric Group, Inc., in the amount of \$1,325,350.00 for the subject project.

### **BACKGROUND**

In partnership with Lit San Leandro and to promote business growth in the local area, the City desires to expand its high speed communication infrastructure into underserved industrial areas of the City. The City applied for and acquired grant funding from the United States Economic Development Agency (EDA) for installation of communications conduit. The project will expand the City's communications network capability by installing approximately seven miles of conduit ready to receive fiber optic cable.

The project included, as a base bid, the installation of a single two (2) inch diameter conduit. During the design process, an alternative installation of three 1-1/4 inch diameter conduits was considered. This alternative had advantages over the single conduit if additional fiber optic cable installations were desired in the future. Solicitations for bids included requests for both conduit options. The base bid option was designated as the method for determining the order of bids.

### **Analysis**

The bids were opened on June 24, 2014. Six (6) bids were received ranging from \$1,258,262 to \$3,669,080 for the base bid option. Flatiron Electric Group, Inc. (Flatiron) was determined by staff to be the lowest responsible bidder. Flatiron's proposal for the optional conduit was \$67,088. Flatiron's total construction cost of \$1,325,350 is within the engineer's estimate for all work of \$1,740,465. Staff therefore recommends the inclusion of the alternate conduit in the project.

Staff verified that the contractor has a valid license with the Contractor's State License Board.

### **Environmental Review**

The project has been determined categorically exempt from CEQA per section 15304(f) Minor Alteration to Land.

**Permits and/or Variances Granted**

Caltrans issued an Encroachment permit for the segment of work within the State right of way.

Union Pacific issued seven individual Wireline Crossing Agreements for the locations where the project crosses railroad right of way.

**Fiscal Impacts**

The total cost of this project including design, permits, construction, contingencies and construction management is estimated at \$2,300,000.

**Budget Authority**

The total appropriation for the Project is funded from the following sources:

EDA Grant	150-38-347	\$2,121,000
Developer Fees for Street Improvements (DFSI)	120-38-347	150,000
Capital Improvement Project Fund	210-38-347	<u>352,000</u>
Total		\$2,623,000

Through June 25, 2014 \$171,000 has been expended with the remaining balance of \$2,452,000.

**ATTACHMENTS**

- Bid Summary

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