

COUNCIL ACTION FORM

SUBJECT: ELECTRIC SERVICES UNDERGROUND TRENCHING CONTRACT

BACKGROUND

On February, 14, 2012, City Council approved preliminary plans and specifications for underground trenching contract for Electric Services. The scope of work consists of a contractor furnishing all equipment, tools, labor, and materials not supplied by Electric Services for excavating, trenching, directional-boring and backfilling for installation of conduits, ground sleeves, box pads, vaults, handholes, and other appurtenances. The work also includes the necessary clearing, sheeting and shoring, boring and jacking, dewatering, pipe embedment, and other appurtenant work. Trenching and excavation services can be required as part of new construction or maintenance projects. These services are occasionally needed during off hours as part of emergency repairs.

On April 10, 2012, City Council awarded the **primary contract** in the amount not-to-exceed \$175,500 to Ames Trenching & Excavating and the **back-up contract** in the amount not-to-exceed \$19,500 to Dig America to provide underground trenching services for Electric Services. The amount budgeted for this contract was \$195,000.

All of the work included in these contracts has been completed and the Electrical Engineer has provided a certificate of completion. The total contract amount for work performed for 2012 was \$49,553.80 for Ames Trenching and \$0 for Dig America. Council should note that the contract includes a provision that would allow the City to renew the contract for up to four additional one-year terms at stated rates. **Electric Services staff has determined not to renew these contracts and would like rebid them. The reason staff would like to rebid is due to several of the bid item descriptions need to be changed to more accurately reflect the work required under the bid item.**

The changes to the descriptions have been made and staff would prefer to rebid this contract. This contract rebid is for the 2013 calendar year. This contract also includes a provision that would allow the City to renew the contract for up to four additional one-year terms at stated rates.

The approved FY 2012/13 operating budget for Underground System Improvements contains \$935,000. Trenching and excavation services would be included in this account. The trenching and excavation services covered by this contract would also be used for the relocation of Electric Services facilities to clear sites for Public Works roadway improvement projects. Funds have been designated in various CIP projects for those relocation activities.

ALTERNATIVES:

- 1) a. Accept completion of the **primary contract** for the 2012 Underground Trenching Contract for Electric Services with Ames Trenching & Excavating, at a total cost of \$49,553.80.

b. Accept completion of the **back-up contract** for the 2012 Underground Trenching Contract for Electric Services with Dig America, at a total cost of \$0.

c. Approve preliminary plans and specifications for the rebid of the underground trenching contract for Electric Services, and set February 14, 2013, as the bid due date and February 26, 2013, as the date of public hearing and award of contract.
- 2) Delay acceptance of these contracts.

MANAGER'S RECOMMENDED ACTION:

The contractors for the 2012 Underground Trenching Contract have completed all of the work for the 2012 period.

These services are necessary to provide trenching and excavation for new construction, maintenance, and emergency repair activities of the Electric Services Department. The annual renewable contracting process has reduced the City's exposure to market forces regarding prices and availability for labor, equipment, travel, and supplies for these services. Additionally, City staff has saved a considerable amount time obtaining quotes, evaluating bids and awarding the services.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as stated above.