

RESOLUTION NO. 20-0070

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL APPROVING AN AGREEMENT BETWEEN THE CITY OF MANHATTAN BEACH AND HOT LINE CONSTRUCTION, INC. FOR THE UUAD NO. 19-14 CONSTRUCTION PROJECT; AUTHORIZING THE CITY MANAGER TO APPROVE ADDITIONAL WORK, IF NECESSARY; AND APPROVING THE PROJECT PLANS AND SPECIFICATIONS FOR THE UUAD NO. 19-14 PROJECT

RECITALS

- A. The City has requested that Southern California Edison Company ("Edison"), Charter Communications, Inc. ("Charter"), and Frontier Communications Corporation ("Frontier") underground certain facilities in Undergrounding Utility Assessment District ("UUAD") No. 19-14 (the "Project").
- B. The City requires that UUAD projects in Manhattan Beach be constructed as joint trench projects, which involves placing underground utilities in the same trench wherever possible.
- C. Construction work for all three utilities must be awarded to a single bidder because of how joint trench projects are designed and constructed.
- D. Edison requires that all contractors on undergrounding projects for Edison facilities be selected from a list of prequalified bidders, and that it (Edison) conduct the procurement process. Edison solicited bids for the Project from the list of bidders prequalified by Edison. Hot Line Construction, Inc. ("Hot Line") was the low bidder, and was selected by Edison, Charter, and Frontier for the work. Both Charter and Edison have entered into agreements with Hot Line for the Project.
- E. Frontier filed for Chapter 11 bankruptcy on April 15, 2020, and has informed the City that execution of Frontier's contract with Hot Line would be delayed indefinitely.
- F. Frontier and Hot Line have agreed to allow the City to assume the bid submitted by Hot Line for the Frontier portion of the Project.

**NOW THEREFORE, THE MANHATTAN BEACH CITY COUNCIL
HEREBY RESOLVES AS FOLLOWS:**

SECTION 1. The recitals set forth above are true and correct, and are incorporated herein by this reference.

SECTION 2. The City Council finds that:

(a) City's compliance with requirements in the Public Contract Code regarding competitive bidding for the procurement of contracts for public projects is impractical for the undergrounding work in UUAD No. 19-14 and will not achieve the public purposes of competitive bidding. This finding is based on the recitals set forth above, the information set forth in the agenda report for this matter, and the following:

(i) This is a joint trench project that requires that all three utilities use the same contractor for the undergrounding of their facilities. It is technically infeasible to coordinate and administer two or more contractors undergrounding facilities into the same trench.

(ii) Edison and Charter have entered into contracts with Hot Line for the undergrounding of their facilities, pursuant to a competitive procurement conducted by Edison.

(iii) Frontier accepted the bid submitted by Hot Line for its portion of the Project, but subsequently filed for bankruptcy and is unable to proceed with the Project.

(b) The Project cannot proceed unless the City assumes the bid submitted by Hot Line for Frontier's portion of the project and contracts with Hot Line for completion of that work.

SECTION 3. The City Council hereby approves the plans and specifications for the UUAD No. 19-14 Construction Project ("Project") and approves the Agreement between the City of Manhattan Beach and Hot Line Construction for \$1,472,923, for the Project.

SECTION 2. The City Manager is hereby authorized to execute the Agreement with Hot Line Construction for the Project and is further authorized to approve additional work, if necessary, for an amount not-to-exceed \$ 348,429.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution.

ADOPTED on June 23, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

RICHARD MONTGOMERY
Mayor

ATTEST:

LIZA TAMURA
City Clerk