

# Agenda Report

February 24, 2003

**To:** City Council

**From:** City Manager

**Subject:** Authorization to amend the contract with CH2MHill for owners engineering services to support the local repowering project.

## **RECOMMENDATION:**

It is recommended that the City Council Authorize the City Manager to amend contract number 17,889 with CH2MHill to perform owner's engineering and consulting services associated with the local generation repowering project to increase the maximum expenditures from \$640,000 to an amount not to exceed \$1,040,000.

The proposed contract amendment is exempt from the competitive selection process of the Competitive Bidding and Purchasing Ordinance, pursuant to Pasadena Municipal Code Subsection 4.08.049 (B), contracts for which the City's best interests are served, and exempt from formal bidding pursuant to City Charter Section 1002 (F), contracts for professional or unique services.

## **BACKGROUND:**

On February 11, 2002, the City Council authorized the City Manager to enter into a contract with CH2MHill to perform owner's engineering (OE) and other consulting services associated with the purchase and installation of new Gas Turbines and related equipment at the Glenarm power plant site for an amount not to exceed \$640,000. PWP had estimated that OE services would cost approximately \$40,000 per month for up to 16 months, totaling about \$640,000.

PWP has made extensive use of CH2Mhill's services, including engineering support, preparation of environmental permits and associated plans, and on-site support of demolition and soil remediation efforts. Increasing the expense authorization will enable PWP to maintain these valuable services through the completion of GT3 and GT4 construction and to assist with issues associate with the GT1 and GT2 retrofit project.

Agenda Report  
Amend Contract with CH2MHill  
February 24, 2003  
Page 2

**FISCAL IMPACT**

Funding is available from the Light and Power Fund Capital Improvement Program under CIP Project #3166 for "Installation of GT-3 and GT-4."

Respectfully submitted,



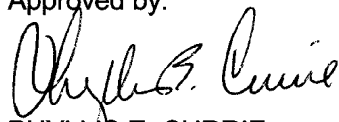
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