

Agenda Report

Date: October 18, 2004

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH POUK AND STEINLE AND PAR ELECTRICAL CONTRACTOR FOR INSTALLING OVERHEAD, UNDERGROUND AND SUBSTATION EQUIPMENT FOR THE WATER AND POWER DEPARTMENT.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated September 24, 2004, submitted by Pouk and Steinle in response to Specifications LD-04-7 for installing overhead and underground equipment for the Water and Power Department;
2. Accept the bid dated September 24, 2004, submitted by PAR Electrical Contractor in response to Specifications LD-04-7 for installing substation equipment for the Water and Power Department;
3. Reject all other bids;
4. Authorize the issuance of a Contract to Pouk and Steinle for a period of three years or until \$4,800,000 is expended, whichever occurs first, with two additional one-year extensions, each not to exceed \$1,600,000 per year.
5. Authorize the issuance of a Contract to PAR Electrical Contractor for a period of three years or until \$1,245,000 is expended, whichever occurs first, with two additional one-year extensions, each not to exceed \$415,000 per year.

BACKGROUND

The project workload of the Water and Power Department fluctuates greatly for the Electrical Distribution crews because of building activity, project scheduling, and

manpower availability. In recent years, much of the standard work pertaining to overhead, underground and substation installations had been done by a contractor. Contract labor has helped achieve a timely completion of jobs, and reduced the backlog of work.

In continuing with the policy of using contract labor to assist the Department's field crews, the proposed labor contract will provide support on an "as needed" basis, up to a total of six crews – two crews each for overhead, underground and substation work.

On September 2, 2004, a Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to eleven businesses on the Purchasing Division's vendor list. Four bids were opened on September 24, 2004 in the City Clerk's office.

There was one responsive bid for overhead/underground work and two responsive bids for substation work. Pouk and Steinle was the lowest responsive bidder that met all of the requirements of the specifications to complete overhead/underground work. PAR Electrical Contractor was the lowest responsive bidder that met all of the requirements of the specifications to complete substation work. Bid price were to be on a per hour basis.

The companies with their bid prices are listed as follows:

<u>BIDDERS</u>	<u>ITEM 1 - Overhead/Underground Total Hourly Rate Bid Price</u>	<u>ITEM 2 – Substation Total Hourly Rate Bid Price</u>
Miron Electric Construction	NA	\$369.00
PAR Electrical Contractor	NA	\$350.33
Pouk and Steinle	\$730.30	NA

The evaluation was based on criteria set forth in the specification to determine the average price per crew-hour to install insulated cables, transformers, switches and perform work identified in the annual General Order 165 inspection program. The contract amounts are based on historical costs and anticipated workload.

It is recommended that the City Council authorize a contract to Pouk and Steinle for an amount not-to-exceed \$4,800,000 for three years from the date of execution by the City. The contract may be extended for a period of two additional one-year extensions, each not to exceed \$1,600,000 per year.

It is recommended that the City Council authorize a contract to PAR Electrical Contractor for an amount not-to-exceed \$1,245,000 for three years from the date of execution by the City. The contract may be extended for a period of two additional one-year extensions, each not to exceed \$415,000 per year.

The Contractor(s) may request price increases but the increase in prices cannot exceed the increase in Consumer Price Index (CPI) for the Los Angeles County-Riverside-Orange County area for the most recently available 12-month period.

The proposed contract is in compliance with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated there under.

FISCAL IMPACT

Sufficient funds are available in the Power Division's Fiscal Year 2005 Capital Improvement Budget Account Numbers: 3090, Switchgear Upgrades for Power System Facilities; and 3117 Wood Utility Pole Replacement/Reinforcing Program.

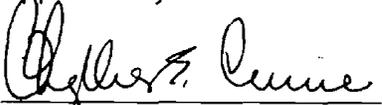
Respectfully submitted,


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