

Agenda Report

Date: March 6, 2006

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH MYERS POWER PRODUCTS TO FURNISH AND DELIVER A WALK-IN METAL CLAD SWITCHGEAR UNIT AND WITH FORTUNE ELECTRIC COMPANY TO FURNISH AND DELIVER TWO POWER TRANSFORMERS FOR THE CITY OF PASADENA.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated January 27, 2006 submitted by Fortune Electric Company, in response to Specification LD-05-14, and approve the purchase of two power transformers;
2. Accept the bid dated February 1, 2006 submitted by Myers Power Products in response to Specification LD-05-13, and approve the purchase of one walk-in metal clad switchgear;
3. Reject all other bids;
4. Authorize the issuance of a purchase order contract to Fortune Electric Company for a total amount not to exceed \$1,395,198.00
5. Authorize the issuance of a purchase order contract to Myers Power Products for a total amount not to exceed \$927,460.00

BACKGROUND

The Power Delivery Master Plan identified a recommendation to install a new 34/17 kV unit substation at the Glenarm Receiving Station. This new installation would allow the transfer of the electrical load from existing substations currently carrying more than their firm capacity and relieve overloaded feeders and sub-transmission 34 kV lines.

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Purchase Order Contracts with Myers Power Products and Fortune Electric Company

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This project, commonly referred to as Glenarm IV, will also provide 17-KV distribution capacity to eventually replace the existing Glenarm I and II 4-KV substations. The new substation Glenarm IV will consist of two 40 MVA power transformers, and a double ended walk-in metal clad switchgear Unit with eight feeders rated at 10 MVA each.

On January 5, 2006, a Notice Inviting Bids to Furnish and Deliver a Power Transformer was published in *The Pasadena Star News* and posted on the City's web page. In addition, specifications were mailed to ten businesses on the Purchasing Division's vendor list. Three bids were opened on January 31, 2006. The per unit item bid results are as follows:

<u>BIDDERS</u>	<u>POWER TRANSFORMER</u>
Fortune Electric Co.	\$697,599.00
Southwest Power, Inc.	\$821,088.16
Pennsylvania Transformer Technology	\$915,639.00

Fortune Electric Co. is the lowest responsive bidder that met all of the requirements of the specifications and is recommended to receive the contract award for an amount not to exceed \$1,395,198.00, as follows:

Base Bid	\$ 609,375.00
Tax	\$ 50,274.00
Freight	\$ 37,950.00
Total	\$ 697,599.00
 Contract price (2 units)	 \$1,395,198.00

On January 5, 2006, a Notice Inviting Bids to Furnish and Deliver a Walk-in Metal Clad Switchgear was published in *The Pasadena Star News* and posted on the City's web page. In addition, specifications were mailed to six businesses on the Purchasing Division's vendor list. Two responsive bids were opened on February 1, 2006. The per unit item bid results are as follows:

<u>BIDDERS</u>	<u>WALK-IN METAL CLAD SWITCHGEAR</u>
Myers Power Products	\$927,460.00
Power-Age Designs	\$975,873.75

Myers Power Products is the lowest responsive bidder that met all of the requirements of the specifications and is recommended to receive the contract award for an amount not to exceed \$927,460.00, as follows:


Base Bid	\$854,466.00
Tax	\$ 70,494.00
Freight	\$ 2,500.00
Total Contract	\$927,460.00

The proposed contracts comply with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated there under.

FISCAL IMPACT

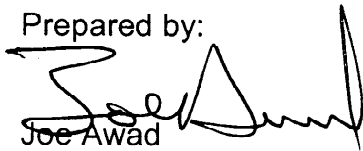
Sufficient funds are available in the Power Capital Fund 411, to cover these purchases. The Power Transformers and the Walk-In Metal Clad Switchgear purchases are budgeted in CIP adopted in FY2006, project # 3090.

Respectfully submitted,



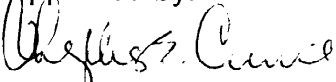
Cynthia J. Kurtz
City Manager

Prepared by:



Joe Awad
Business Unit Director
Water and Power Department

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department

Appendix 'D'
Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment of 2000
Pasadena City Charter, Article XVII

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name: Fortune Electric Co;Ltd.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

<input type="checkbox"/> Pedro Hsu	_____
<input type="checkbox"/> Show Shiun Hsu	_____
<input type="checkbox"/> Jung Hong Lai	_____
<input type="checkbox"/> Samuel Sung	_____
<input type="checkbox"/> Jean Hsu	_____
<input type="checkbox"/> Wsliao Leau	_____
<input type="checkbox"/> Alfreed Chang	_____
<input type="checkbox"/> Robert Chen	_____
_____	_____
_____	_____

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

<input type="checkbox"/> Show Shiun Hsu	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Prepared by: Jean Hsu

Title: Director of International Division Date: 1/27/2006

For office use only: Contract/Transaction No. _____ If not a contract, type of transaction: _____

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(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:

Myers Power Products, Inc.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

<u>Diana Grootenk, CEO</u>
<u>Araceli Victoriano, Controller</u>

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

<u>N/A</u>

Prepared by: Patrice Davezan

Title: Estimating Manager Date: 1/31/06

For office use only: Contract/Transaction No. _____ If not a contract, type of transaction: _____
