

Agenda Report

Date: October 23, 2006

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PERRY C. THOMAS TO PROVIDE LABOR AND MATERIALS FOR THE INSTALLATION OF THE GLENARM UNIT IV SUBSTATION.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated October 6, 2006 submitted by Perry C. Thomas in response to Specification LD-06-8;
2. Reject all other bids;
3. Authorize the issuance of a Labor and Materials contract to Perry C. Thomas for a total amount not to exceed \$740,238.00, which includes the base amount of \$616,865.00 and a contingency of \$123,373.00 for any necessary change orders.

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.

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.

After a Notice Inviting Bids to Provide Labor and Materials for the Construction of the Glenarm Unit IV Substation in accordance with Specifications LD-06-5 was issued in July, only one bid was received. At the recommendation of the City Manager, Council

rejected the bid on August 14, 2006, because it was more than 100% over the engineer's estimate. Staff rewrote the specifications, and on September 7, 2006, a Notice Inviting Bids to Provide Labor and Materials for Civil Construction of the Glenarm Unit IV Substation in accordance with specifications LD-05-8 was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to ten businesses on the Purchasing Division's vendor list. Four bids were opened on October 6, 2006. The per unit item bid results are as follows:

<u>BIDDERS</u>	<u>GLENARM UNIT IV SUBSTATION</u>
Perry C. Thomas	\$616,865.00
Union Engineering Company	\$889,980.00
PAR Electrical Contractors	\$1,478,000.00
Henkels & McCoy	\$1,524,788.00

Staff recommends contract award to the lowest responsive bidder Perry C. Thomas Construction, whose bid was within the engineer's estimate. The proposed contract amount is not-to-exceed \$740,238.00 and includes the base bid amount of \$616,865.00 and a 20% contingency of \$123,373.00 for any necessary change orders to cover any unforeseen site conditions.

Base Bid	\$611,153.00
Applicable Taxes	\$5,712.00
20% Contingency	<u>\$123,373.00</u>
Contract Amount	\$740,238.00

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

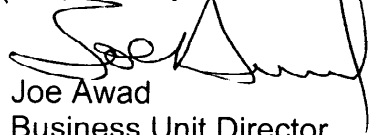
Sufficient funds are available in the Power Capital Fund 411, to cover these purchases. The Civil Construction of the Glenarm Unit IV Substation are budgeted in CIP adopted in FY2006, project # 3090, Switchgear Upgrades and Power System Facilities.

Respectfully submitted,



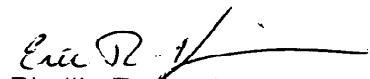
Cynthia J. Kurtz
City Manager

Prepared by:



Joe Awad
Business Unit Director
Water and Power Department

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment of 2000
Pasadena City Charter, Article XVII**

Contractor hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor, as follows:
(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor Name: Perry C. Thomas Construction, Inc.

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

Catherine Thomas - President/Secretary
Perry Thomas - Vice President

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

None

Prepared by: Catherine Thomas

Title: President

Date: 12/8/05

For office use only
Contract No. _____

