

# Agenda Report

Date: January 8, 2007

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH PERRY C. THOMAS FOR THE CONSTRUCTION OF UNDERGROUND ELECTRICAL CONDUIT SYSTEMS, VAULTS AND OTHER MISCELLANEOUS WORK PER SPECIFICATION LD-06-7 FOR THE WATER AND POWER DEPARTMENT.

## **RECOMMENDATION**

It is recommended that the City Council:

1. Accept the bid dated December 15, 2006 submitted by Perry C. Thomas in response to Specification LD-06-7;
2. Reject all other bids;
3. Authorize the issuance of a Labor and Materials contract to Perry C. Thomas for a period of one year or an amount not to exceed \$1,500,000, whichever occurs first and authorize the City Manager to extend the contract for up to four additional one-year periods, each not to exceed \$3,000,000 per year.

## **BACKGROUND**

In accordance with the City's Electric Service Regulations as adopted by City Council, the Water and Power (Department) must install underground facilities to connect customers in existing underground areas. The contract will be used to do the required work, and to extend existing underground systems where the extension of overhead facilities is not feasible. The contract will also cover replacement, repair and maintenance of existing aging and deteriorating underground system.

The contract issued under Specifications LD-06-7 will enable the Department to further this undergrounding program by providing underground customer service installations, pull boxes, vaults, and other work as the need arises throughout the year.

On November 16, 2006 a Notice Inviting Bids to Provide Labor and Materials, on a unit price basis, for construction of underground electrical conduit systems, vaults and other miscellaneous work in accordance with specification LD-06-7 was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to five businesses on the Purchasing Division's vendor list. Three bids were opened on December 15, 2006. The bids using the per unit item bid is as follows:

<b><u>BIDDERS</u></b>	<b><u>BID PRICE</u></b>
<b>Perry C. Thomas</b>	<b>\$17,256,920.00</b>
Doty Brothers	\$27,310,817.00
Herman Weissker, Inc.	\$34,380,877.25

The bid price, shown above, was derived by multiplying the quoted unit prices for fifty-four different types of work activities or material or services by the approximate quantity of work projected for the next five years. As stated in the specification, the bid price is used for comparing bidders only and to determine the lowest and best bidder, and is not used for contract award. Payment for work completed or materials and services provided will be based on the quoted unit prices for the actual work performed. The engineer's estimate for miscellaneous underground work to be performed in the coming year is \$1,500,000. This amount includes the repair and replacement of existing underground conduits and vaults that have deteriorated or are at the end of useful life.

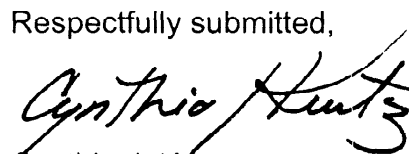
Perry C. Thomas Construction was the lowest responsive bidder that met all of the requirements of the specification and is recommended to receive the contract award for an amount not to exceed \$1,500,000 or one year, whichever occurs first. The City Manager may extend the contract for a period of up to four additional one-year periods, each not to exceed \$3,000,000 per year. Prior to any extension, the Contractor may request changes to the unit prices, and the City and Contractor will negotiate mutually-acceptable unit prices.

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 Division's CIP Nos 3001, Services from Utility Underground Systems Private Property Vaults; 3002 Distribution System Expansion; 3023 Services from Public Right of Way and 3185 Replacement and Upgrade of Electrical Equipment.

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/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:**

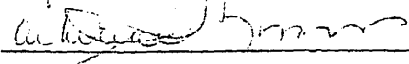
Perry C. Thomas Construction, Inc.

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

Catherine Thomas - President/Secretary
Perry Thomas - Vice President

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

Catherine Thomas
Perry Thomas

Prepared by:   
Title: President  
Date: 11-17-06

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