

Agenda Report

Date: June 9, 2008

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH E.E. ELECTRIC AND NEVADA BKD FOR ELECTRICAL CONSTRUCTION, AND POUK AND STEINLE FOR CIVIL CONSTRUCTION RELATED TO THE INSTALLATION OF OVERHEAD, UNDERGROUND AND SUBSTATION EQUIPMENT FOR THE WATER AND POWER DEPARTMENT.

RECOMMENDATION :

It is recommended that the City Council:

1. Accept the bid dated February 20, 2008 submitted by E. E. Electric in response to Specifications LD-07-11 for installing overhead and underground equipment for the Water and Power Department; reject all other bids; and authorize a contract to E.E. Electric for a period of two years or until \$4,000,000 is expended, whichever occurs first with four additional one-year extensions, each not to exceed \$2,000,000 per year.
2. Accept the bid dated February 20, 2008 submitted by Nevada BKD in response to Specifications LD-07-11 for installing substation equipment for the Water and Power Department; reject all other bids; and authorize a contract to Nevada BVD for a period of two years or until \$500,000 is expended, whichever occurs first, with four additional one-year extensions, each not to exceed \$250,000 per year.
3. Accept the bid dated February 20, 2008, submitted by Pouk and Steinle in response to Specifications LD-07-11 for the construction of underground electrical conduit systems, vaults, and other miscellaneous civil work for the Water and Power Department; reject all other bids; and authorize a contract to Pouk and Steinle for a period of two years or until \$2,000,000 is expended, whichever occurs first, with four additional one-year extensions, each not to exceed \$1,000,000 per year.

4. Acknowledge that the project is exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act (Public Resources Code §21080(b)(9); Administrative Code, Title 14, Chapter 3, Class 30 §15330 (Minor Actions to Prevent, Stabilize, Mitigate or Eliminate the Release or Threat of Release of Hazardous Waster or Hazardous Substances)).

BACKGROUND:

The project workload of the Pasadena Water and Power Department (Department) requires the use of outside contractors to complete the necessary electrical projects approved in the Capital Improvement Budget. Supplementing City Power crews with contract labor has allowed the Department to achieve planned and unscheduled completion of customer jobs, and the operation, maintenance and construction activities related to the electrical infrastructure.

On January 10, 2008, a Notice Inviting Bids for Specifications LD-07-11 for installing overhead, underground and substation equipment, and for the construction of underground electrical conduit systems, vaults and other miscellaneous civil work, was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to thirty-seven businesses on the Purchasing Division's vendor list. Nine bids for electrical and/or civil construction were opened on February 20, 2008 in the City Clerk's office. One vendor requested that he be allowed to withdraw his bid as he was unable to meet the bid bond.

Electrical Construction

There were six responsive bids for the installation of overhead, underground and substation electrical work. The responsive bidders and their bid prices are listed below:

<u>BIDDERS</u>	<u>ITEM (A)</u>	<u>ITEM (B)</u>	<u>ITEM (C)</u>
	<u>Overhead</u>	<u>Underground</u>	<u>Substation</u>
E.E. Electric	\$524.20	\$364.50	\$524.40
Nevada BKD	No Bid	No Bid	\$513.50
Pouk & Steinle	\$717.55	\$455.80	\$690.55
PAR Electrical	\$768.53	\$462.14	\$749.53
Henkels & McCoy	\$763.50	\$476.30	\$742.10
Diversified	\$580.50	\$367.98	No Bid

The specifications allowed bidders to bid on any or all of the items for electrical services. The bid prices are total hourly rates for electrical construction. E.E. Electric was the lowest responsive bidder for overhead and underground requirements of the specification, and Nevada BKD was the lowest responsive bidder for substation requirements of the specification. It is recommended that E.E. Electric be awarded the contract for overhead and underground construction and Nevada BKD be awarded the contract for substation construction.

Civil Construction

The specification also requested unit prices for typical civil construction activities related to the installation of electrical systems. Such activities included trenching, furnishing and installing various sizes of electrical conduits and vaults, grading, street paving and traffic control. The specification stated that the Total Bid Price is used to determine the lowest and best bidder. There were five responsive bids for the civil portion of the work.

<u>BIDDERS</u>	<u>Total Bid Price</u>
Pouk & Steinle	\$421,108.50
Perry Thomas	\$457,834.00
PAR Electrical	\$651,425.00
Herman Weissker	\$739,931.15
Henkels & McCoy	\$745,274.74

The Total Bid Price (above) was calculated by multiplying the unit price bid in each item by the estimated amount of work and adding the sum of all items. Pouk and Steinle has the lowest Total Bid Price and is the lowest responsive bidder that meets all of the requirements of the specifications to complete civil construction work. It is recommended that Pouk and Steinle be awarded the contract.

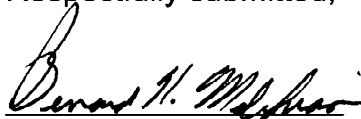
Following the initial contract period, the Contractors may request annual price increases, but the increase in prices cannot exceed the increase in the Consumer Price Index (CPI) for the Los Angeles County-Riverside-Orange County area for the most recently available 12-month period.

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:

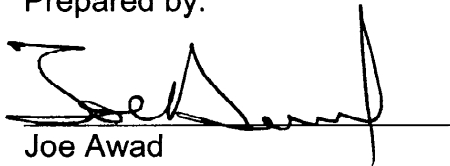
Sufficient funding is available in the Capital Improvement Project Account 3090, Switchgear Upgrades for Power System Facilities; 3137, Cable Replacement and Testing Program; 3161, Distribution Capacity and Reliability Program; 3191, 4 kV Conversion program; and 3117 Wood Utility Pole Replacement/Reinforcing Program.

Respectfully submitted,



Bernard K. Melekian
City Manager

Prepared by:



Joe Awad
Business Unit Director
Water and Power Department

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department