

# Agenda Report

January 28, 2013

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH VCI CONSTRUCTION, INC. FOR AN AMOUNT NOT TO EXCEED \$444,000 TO PROVIDE LABOR AND MATERIALS FOR CONSTRUCTION OF UNDERGROUND ELECTRICAL CONDUIT SYSTEMS IN PALOMA STREET FOR THE WATER AND POWER DEPARTMENT

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15302(c) (Replacement or Reconstruction);
2. Accept the bid dated December 12, 2012, from VCI Construction, Inc., in response to Specifications LD-12-12 for construction of an underground conduit system; reject all other bids; and authorize the City Manager to enter into a contract with VCI Construction, Inc., for an amount not to exceed \$444,000.

## **BACKGROUND:**

Pasadena Water and Power Department (PWP) is replacing the 4kV electrical distribution system with a 17kV distribution system to provide adequate system capacity to meet service demand and maintain service reliability. To facilitate the upgrade in the Hastings Ranch area, PWP must extend the existing 17kV underground infrastructure to allow replacement of the existing 4kV electrical distribution system with a new 17kV distribution system.

On November 15, 2012, a Notice Inviting Bids to Provide Labor and Materials for Construction of Underground Electrical Conduit Systems on Paloma Street in accordance with Specifications LD-12-12 was published in the Pasadena Journal and posted on the City's web page. Ten vendors attended a mandatory pre-bid meeting on December 4, 2012. Six responsive bids were opened on December 12, 2012.

<b><u>Contractor</u></b>	<b><u>Bid Amount</u></b>
<b>VCI Construction, Inc., Upland, CA</b>	<b>\$403,685</b>
Perry C. Thomas Construction, Inc., Monrovia, CA	\$440,710
Western Group Inc., Woodland, CA	\$595,450
Ocean State Development, Alhambra, CA	\$760,145
Mallcraft, Inc., Pasadena, CA	\$821,690
Sully-Miller, Brea, CA	\$855,785
Engineer's Estimate	\$450,000

VCI Construction, Inc. was the lowest responsive bidder that met all the requirements of the specifications. Staff recommends award of a contract to VCI Construction, Inc., for an amount not to exceed \$444,000, which includes the base bid and a 10% contingency for any necessary change orders.

The proposed contract will allow PWP to construct the underground substructure necessary to connect the existing 17kV electrical system to the new 17kV electrical system in specified locations within 40 days after a Notice to Proceed is issued. This project is part of the 4kV to 17kV Conversion project and not part of the City's Utility Undergrounding Program.

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

**COUNCIL POLICY CONSIDERATION:**

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the Council's goal to improve, maintain and enhance public facilities infrastructure; to provide a high level of public service which adds to the quality of life in the City and increase its attractiveness through more efficient management of resources.

**ENVIRONMENTAL ANALYSIS:**

The proposed contract is exempt from CEQA pursuant to the State CEQA Guidelines Section 15302(c) (Replacement or Reconstruction), which exempts the replacement and/or reconstruction of existing facilities or structures, including utility systems and/or facilities, involving negligible or no expansion of capacity. The proposed work will provide construction necessary to maintain existing electrical infrastructure and operational flexibility.

**FISCAL IMPACT:**

The maximum cost of this action is \$494,000, which includes contract administration and inspections. All funds will be spent in the current fiscal year. The cost will be addressed by utilizing existing appropriations in the Power Capital Fund 411, Budget No. 3002, Distribution System Expansion. This expenditure will have minimal impact on other operational or capital projects. The following table summarizes the total fiscal impact.

<b>Total Expenditure in Fiscal Year 2013</b>	
Base Contract Amount	\$403,685
Contingency	\$40,315
Not to Exceed Amount	\$444,000
Administration/Inspections	\$50,000
Total Fiscal Impact	\$494,000

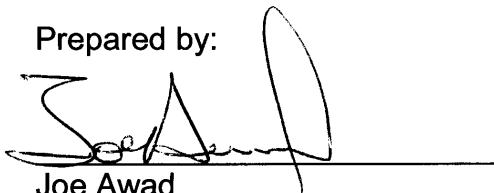
Respectfully submitted,



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Phyllis E. Currie  
General Manager  
Water and Power Department

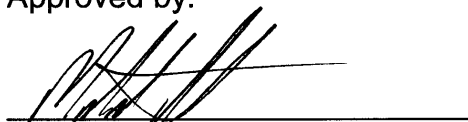
Prepared by:



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Joe Awad  
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Approved by:



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Michael Beck  
City Manager