

# Agenda Report

April 11, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH MINAKO AMERICA CORPORATION, dba MINCO CONSTRUCTION, FOR AN AMOUNT NOT TO EXCEED \$1,095,050 TO PROVIDE LABOR AND MATERIALS FOR THE CONSTRUCTION OF UNDERGROUND ELECTRICAL CONDUIT SYSTEMS IN PALOMA STREET FROM CANYON WASH DRIVE TO ALTADENA DRIVE FOR THE WATER AND POWER DEPARTMENT.**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find the proposed action to be categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15302(c) (Replacement or Reconstruction); and
2. Accept the bid dated November 17, 2015 submitted by Minako America Corp., dba Minco Construction in response to Specifications LD-15-05 for the construction of Underground Electrical Conduit Systems in Paloma Street from Canyon Wash Drive to Altadena Drive for the Water and Power Department; and
3. Reject all other bids; and
4. Authorize the City Manager to enter into a contract with Minako America Corp., dba Minco Construction, for an amount not to exceed \$1,095,050.

## **BACKGROUND:**

Pasadena Water and Power Department ("PWP") is converting its 4kV distribution system to 17kV to provide adequate system capacity to meet service demand and maintain service reliability. In order to facilitate the upgrade in the Hastings Ranch area, PWP must extend the existing 17kV underground infrastructure. This project is the second phase following the completion of Phase 1 which was completed in August 2013. This project is not part of the Underground Utility District program.

On October 15, 2015, a Notice Inviting Bids to Provide Labor and Materials for Construction of Underground Electrical Conduit Systems on Paloma Street in accordance with Specifications LD-15-15 was published in the Pasadena Journal and posted on the City's web page. Fourteen vendors attended a mandatory pre-bid meeting on November 3, 2015. There were no local vendors in attendance. Eight responsive bids were opened on November 17, 2015.

<u>Contractor</u>	<u>Bid Amount</u>
<b>Minako America Corp., dba Minco Construction, Gardena, CA</b>	<b>\$ 995,500</b>
Moalej Builders Inc., Sherman Oaks, CA	\$1,068,150
Perry C. Thomas Construction Inc., Monrovia, CA	\$1,094,147
VCI Construction Inc., Upland, CA	\$1,194,419
GRFCO, Inc., Brea, CA	\$1,654,600
W.A. Rasic Inc., Long Beach, CA	\$1,670,217
VCI, dba VUS Inc., Upland, CA	\$1,906,033
VIDO Samarzich Inc., Alta Loma, CA	\$1,993,150
Engineer's Estimate	\$1,100,000

Minako America Corp., dba Minco Construction was the lowest responsive bidder that met all the requirements of the specifications. Staff recommends award of a contract to Minako America Corp., dba Minco Construction, for an amount not to exceed \$1,095,050, 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 underground electrical system to the existing overhead electrical system in specified locations within 40 days after a Notice to Proceed is issued.

This contract will be the first contract with Minako America Corp., dba Minco Construction with the City of Pasadena. The contract may result in up to six new hires, and will include appropriate outreach for local hire opportunities.

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 City Council's goals to: improve, maintain and enhance public facilities infrastructure; and provide a high level of public service which adds to the quality of life in the City and increases 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. 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.

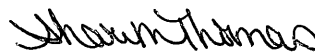
**FISCAL IMPACT:**

The maximum cost of this action is \$1,250,000, which includes construction inspection and contract administration. PWP engineers will administer the contract. It is anticipated that funds will be spent in FY 2016 and FY2017. The cost will be addressed by utilizing existing appropriations in the Power Capital Fund 411, Capital Improvement Project 3002, Distribution System Expansion. The following table represents the contract summary:

<b>Total Expenditure in Fiscal Year 2016</b>	
Base Bid	\$ 995,500.00
<u>Contingency</u>	\$ 99,550.00
Not to Exceed Amount (This Contract)	\$1,095,050.00
Construction Inspection & Contract Administration	\$ 154,950.00
<b>Total Fiscal Impact</b>	<b>\$1,250,000.00</b>

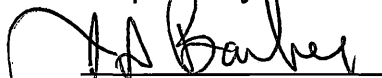
The anticipated impact to other operational programs or capital projects as a result of this action will be minimal.

Respectfully submitted,



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