

Agenda Report

November 19, 2018

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: APPROVE AN AMENDMENT IN THE AMOUNT OF \$100,074 TO CONTRACT NUMBER 21,739 WITH ARB, INC., FOR A TOTAL NOT TO EXCEED \$1,050,000 TO PROVIDE LABOR AND MATERIALS FOR ONGOING FIELD SERVICES FOR VARIOUS PROJECTS AT THE BROADWAY, GLENARM, AND AZUSA POWER PLANTS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions are exempt from the California Environmental Quality Act ("CEQA") in accordance with California Code of Regulations, Title 14, Division 6, Chapter 3, Article 19, Section 15301, Class 1, Existing Facilities; California Code of Regulations, Title 14, Division 6, Chapter 3, Article 18, Section 15269, Emergency Projects; and Public Resources Code, Division 13, Chapter 2.6, Section 21080.21, which exempts from environmental review any pipeline project of less than one mile in length within a public street or highway or any other public right-of-way, Title 14, Chapter 3, Section 15301, Class 1, Existing Facilities and Section 15302, Class 2, Replacement or Reconstruction; and,
2. Authorize the City Manager to execute an amendment to Contract No. 21,739 increasing the total amount of the contract by \$100,074 from \$949,926 to \$1,050,000 to provide ongoing field services for various projects at the Broadway, Glenarm, and Azusa power plants for the remainder of the contract term through August 9, 2019.

BACKGROUND:

Pasadena Water and Power ("PWP") has an existing contract with ARB Inc. for providing field services for the various projects at the Broadway, Glenarm, and Azusa power plants. The contracted services support various capital improvement and maintenance projects necessary to ensure availability, meet regulatory requirements, and keep the electric generating units operating reliably and efficiently. The contract was approved by the City Council on March 3, 2014 following a competitive bidding process with an initial term of three years or not-to-exceed \$600,000, whichever occurs first, with one two-year

extension option not to exceed \$300,000 subject to approval of City Manager, for a total not to exceed amount of \$900,000. The two-year contract extension through August 9, 2019 was executed on August 10, 2017.

As described in the City Manager Newsletter dated October 18, 2018 (Attachment 1), the City Manager authorized a change order for \$49,926 with ARB, Inc. to continue ongoing repairs to the Azusa Hydroelectric Plant water conduit pursuant to the emergency purchase provisions allowed under Pasadena Municipal Code ("PMC") section 4.08.150. This change order increased the Contract total spending authority under the Contract to \$949,926. Upon payment to ARB for completion of the authorized work, there will be no authorized expenditures remaining under the Contract.

The field service contract with ARB, Inc. provides for the services field service personnel such as a high pressure welder, millwright, pipefitter and laborers on an "as needed basis". The field personnel support the work of plant maintenance staff on capital improvement projects, as well as maintenance and repair of major equipment. The field service contract is only utilized on projects where the workload exceeds what can be sustained by plant staff. All services provided by ARB, Inc. will be based on actual needs for each task and be clearly defined in a General Manager's Task Order Letter.

In order to ensure resources are available to provide timely maintenance and services for the City's electric generating plants and projects necessary for regulatory compliance, staff recommends an increase of contract amount by \$100,074 for the remainder of the contract term through August 9, 2019. PWP plans to issue a new specification for competitive bidding for the new contract.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports the City Council's Strategic Goal to improve, maintain, and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to deliver reliable water and power services that enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The proposed authorization to further increase the not to exceed amount for ongoing field services has been determined to be categorically exempt CEQA in accordance with CEQA, Title 14, Chapter 3 (the State CEQA Guidelines), Section 15301, Class 1, Existing Facilities and Section 15302, Class 2, Replacement or Reconstruction. Class 1 allows for the maintenance, repair, minor alteration, etc. of existing facilities, including publically owned utilities that involves negligible or no expansion of use. Class 2 allows for the replacement and reconstruction of existing facilities and structures, including utility systems where the replacement structure/facility will have substantially the same purpose and capacity. The proposed contracted Field Services are anticipated to be utilized for improvements at the Broadway, Glenarm, and Azusa Power Plants consisting of maintenance, repair, minor alteration, replacement, and/or reconstruction. There will be no expansion of use or capacity as a result of the required services.

FISCAL IMPACT:

The total cost of this action will be \$100,074. Funding will be addressed by the utilization of existing budgeted appropriations in the following accounts:


CIP 3158 for Power Facility Water Treatment and Disposal	16.67%	\$ 16,679
CIP 3179 for Power Facility Water Treatment and Disposal	16.67%	\$ 16,679
CIP 3180 for Power Production Facility Improvement	16.67%	\$ 16,679
CIP 3182 for GT-1 & 2 Renewals, Replacements and Improvements	16.67%	\$ 16,679
CIP 3186 for GT-3 & 4 Renewals, Replacements and Improvements	16.67%	\$ 16,679
Power Operating Fund - 44205490-811400	16.67%	\$ 16,679
Total	100%	\$ 100,074

There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,


GURCHARAN S. BAWA
General Manager
Water and Power Department

Prepared by:

on behalf of 
Art Silva
Power Plant Manager

Approved by:


STEVE MERMELL
City Manager

Attachment 1

City Manager Newsletter dated October 18, 2018