



Agenda Report

August 26, 2019

TO: Honorable Mayor and City Council

FROM: Water and Power Department and Department of Information Technology

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH PERRY C. THOMAS CONSTRUCTION, INC. FOR CIVIL CONSTRUCTION RELATED TO THE ELECTRICAL INFRASTRUCTURE FOR THE WATER AND POWER DEPARTMENT AND THE FIBER NETWORK FOR THE DEPARTMENT OF INFORMATION TECHNOLOGY

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities) and 15302 (Replacement or Reconstruction) that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances;
2. Accept the bid dated June 28, 2019 submitted by Perry C. Thomas Construction, Inc. in response to Specification LD-19-01 Civil Construction; reject all other bids and authorize the City Manager, or his designee, to enter into a contract with Perry C. Thomas Construction Inc. for civil construction related to electrical infrastructure for a period of two years, or \$6,000,000 whichever occurs first, with three sequential optional one-year extensions of \$3,000,000 each, whichever occurs first, resulting in a final total contract value of \$15,000,000.
3. Accept the bid dated June 28, 2019 submitted by Perry C. Thomas Construction, Inc. in response to Specification LD-19-01 Civil Construction; reject all other bids and authorize the City Manager, or his designee, to enter into separate contract with Perry C. Thomas Construction, Inc. for civil construction related to fiber network for two years, or \$250,000 whichever occurs first, with three sequential optional one-year extensions of \$125,000, whichever occurs first, resulting in a final total contract value of \$625,000.

BACKGROUND:

The Department of Water and Power ("PWP") provides electricity to more than 66,000 customers. The Power Distribution System is highly complex and comprised of thousands of components that function together as the Transmission and Distribution

("T&D") System. A critical part of this system is the infrastructure that houses the underground electrical components (i.e. cables, switches, and junctions).

PWP Power Delivery Division does not have in-house civil construction crews and has traditionally used outside contractors for civil construction (i.e. trenching, conduits, vaults, and pull boxes). This type of construction has been, and will be, monitored and inspected by City staff to ensure compliance with standards and requirements. PWP in-house crews will typically install the electrical components after the civil construction is completed.

The Department of Information Technology ("DoIT") also requires the support of outside contractors for civil construction when it carries out fiber network expansion projects and connects additional facilities to the City's fiber backbone.

Contract services for civil construction are needed to provide for the extension and repair of the existing underground infrastructure in support of approved capital improvement and customer driven projects.

Specification LD-19-01 for civil construction was prepared and advertised in the *Pasadena Journal* and available for download via PlanetBids on May 29, 2019. PWP reached out to multiple local vendors during the bid process. 2015 vendors received electronic notification (115 local) and 54 vendors downloaded the Specification (one local). The one local vendor who downloaded and viewed the specification, indicated that they did not submit a bid because the project specification schedule did not align with their production schedule. Four bids were received on June 28, 2019 that are summarized in Table I below:

Table I: Summary of Bids

Bidder Name	Office Location	Bid Amount
Perry C. Thomas Construction, Inc.	Monrovia, CA	\$2,421,652.00
Doty Bros, Equipment Company	Norwalk, CA	\$2,914,536.95
VCI Utility Services	Upland, CA	\$3,430,617.31
PAR Electric Contractors, Inc.	Rancho Cucamonga, CA	\$6,951,606.05

Perry C. Thomas Construction, Inc. was the lowest responsive and responsible bidder that met the requirements of the Specification. Therefore, staff recommends that the City Council authorize the City Manager, or his designee, to enter into a contract with Perry C. Thomas Construction, Inc. for civil construction related to electrical infrastructure for a period of two years, or \$6,000,000 whichever occurs first, with three sequential optional one-year extensions of \$3,000,000 each, whichever occurs first, resulting in a final total contract value of \$15,000,000.

DoIT's fiber network implementation is primarily within the power conduit system, as it connects additional facilities to the City's fiber backbone, and it carries out fiber network

expansion projects. This requires that a qualified contractor perform the same type of conduit construction and related improvements included the Civil Construction specification for PWP. Therefore, it is also recommended that the City Council authorize the City Manager, or his designee, to enter into a separate contract with Perry C. Thomas Construction, Inc. for civil construction related to the fiber network for two years, or \$250,000 whichever occurs first, with three sequential optional one-year extensions of \$125,000 each, whichever occurs first, resulting in a final total contract value of \$625,000.

Perry C. Thomas Construction, Inc. has been awarded nine contracts/purchase orders since 2015, for a total not to exceed amount of \$12,658,141.

The proposed contracts with Perry C. Thomas Construction, Inc. fully comply with the Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code Chapter 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, to provide cost effective and innovative management of the City's resources, and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The proposed contracts are exempt from CEQA pursuant to the State CEQA Guidelines Sections 15301 and 15302. Section 15301 (Existing Facilities) exempts actions (such as maintenance, repair, operation etc.) relating to existing facilities or structures where there is negligible or no expansion of the use. Section 15302 (Replacement or Reconstruction) 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 needed repairs or new construction necessary to maintain existing electrical infrastructure and operational flexibility. There is no proposed expansion of capacity.

FISCAL IMPACT:

The maximum cost of this action is \$15,625,000, the full breakdown is shown in Table II below.

Table II: Maximum Fiscal Impact

Department	Original Contract Term	Optional Extension #1	Optional Extension #2	Optional Extension #3	Amount
PWP	\$6,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$15,000,000
DoIT	\$250,000	\$125,000	\$125,000	\$125,000	\$625,000
Total Maximum Fiscal Impact					\$15,625,000

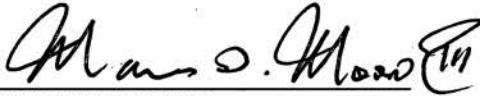
Funding for this action will be addressed by utilization of existing and future appropriations in the Capital Improvement and Operating budgets. These contracts will be utilized for various Capital Improvement, maintenance, and customer projects.

Respectfully submitted,



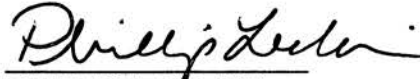
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