

Agenda Report

To: City Council

Date: November 25, 2002

From: City Manager

Subject: Authorization to Enter into a Contract with Lambco Engineering, Inc. for the Construction of Underground Electrical Conduit System for Units 3 and 4 Gas Turbines in Glenarm Plant, Specification LD-02-09

RECOMMENDATION:

It is recommended that the City Council: (i) accept the bid dated November 6, 2002, submitted by Lambco Engineering, Inc. in response to Specification LD-02-09; (ii) reject all other bids; (iii) authorize the City Manager to enter into a contract for an amount not to exceed \$516,890.00 as is required.

BACKGROUND:

The subject Specification provides for the furnishing of labor, materials and equipment for construction of underground electrical conduit system for units 3 and 4 gas turbines in Glenarm Plant.

As part of the Pasadena Water and Power Strategic Resource Plan adopted by the City Council November 19, 2001, the existing Broadway Units B-1 and B-2 will be replaced by two new 45 MW simple cycle gas turbines (GT-3 and GT-4.) These new gas turbines and associated equipment will be located on Glenarm and Broadway plants.

Department staff distributed the Specification to a total of seven businesses.

In response to the Notice Inviting Bids, five bidders submitted proposals with prices as follows:

<u>Contractor</u>	<u>Price</u>
Lambco Engineering, Inc.	\$469,900
Perry C. Thomas Construction, Inc.	\$670,355
Irish Construction	\$502,578
Henkels and McCoy, Inc.	\$705,714
Doty Brothers Equipment Company	\$799,828

Therefore, it is recommended that the contract be awarded to Lambco Engineering, Inc. The engineer's estimate for the proposed project was well within range of the project.

The award includes the bid price and a contingency of 10% to accommodate any necessary change orders, as follows:

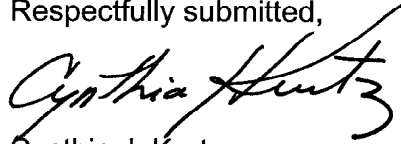
Base bid	\$469,900
10% contingency	<u>\$ 46,990</u>
Total	\$516,890

The proposed contract complies with the Living Wage Ordinance, Pasadena Municipal Code 4.11.

FISCAL IMPACT:

Funding is from the Light and Power Fund Capital Improvement Program under Budget #3166 for "Installation of GT-3 and GT-3."

Respectfully submitted,



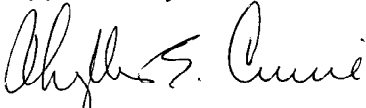
Cynthia J. Kurtz
City Manager

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