

Agenda Report

Date: July 26, 2004

TO: City Council

FROM: City Manager

SUBJECT: Authorization to Enter into Purchase Order Contracts with ABB, Inc. and Areva to Replace 4kv and 17kv Metal-Clad Switchgear Air Circuit Breakers with vacuum switching technology for the Power Delivery Business Unit of the Water and Power Department.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated June 22, 2004 submitted by ABB, Inc. in response to Item 1 in the specification, replacing 4kv metal-clad switchgear air circuit breakers;
2. Accept the bid dated June 22, 2004 submitted by Areva in response to Item 2 in the specification, replacing 17kv metal-clad switchgear air circuit breakers;
3. Reject all other bids;
4. Authorize the issuance of a purchase order contract to ABB, Inc. in amounts necessary to meet the City's annual need to replace 4kv metal-clad switchgear air circuit breakers, an amount not to exceed \$329,786 annually or until \$1,319,144 is expended, whichever occurs first. The contract is for a one-year period with three optional one-year extensions.
5. Authorize the issuance of a purchase order contract to Areva in amounts necessary to meet the City's annual need to replace 17kv metal-clad switchgear air circuit breakers, an amount not to exceed \$175,821 annually or until \$703,286 is expended, whichever occurs first. The contract is for a one-year period with three optional one-year extensions.

BACKGROUND

The Power Delivery Business Unit (PDBU) of the Water and Power Department has one-hundred (100) 4kv and forty-eight (48) 17kv metal-clad switchgear air circuit breakers in its power distribution systems for the control and protection of power equipment and circuits. The average age of 4kv and 17kv switchgear breakers is 24 and 43 years old, respectively. Maintenance of old switchgear breaker parts are no longer supported by existing manufacturers.

PDBU is planning to replace existing air circuit breakers with vacuum switching technology. Replacing the breakers with current technology will reduce downtime needed for maintenance, improve system operations service and provide long-term stability.

The purchase order contract includes the inspecting and replacing of existing breakers with vacuum switching technology, transporting them to Pasadena substations and disposal of obsolete parts. PDBU estimates that up to twenty-five (25) 4kv and twelve (12) 17kv metal-clad switchgear air circuit breakers will be replaced per year.

On June 10, 2004, a Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to six businesses on the Purchasing Division's vendor list. Five bids were opened on June 22, 2004.

There were five responsive bids for 4kv breakers and three responsive bids for 17kv. ABB, Inc was the lowest responsive bidder that met all of the requirements of the specifications to replace 4kv switchgear breakers. Areva was the lowest responsive bidder that met all of the requirements of the specifications to replace 17kv switchgear breakers.

The per unit item bid results are as follows:

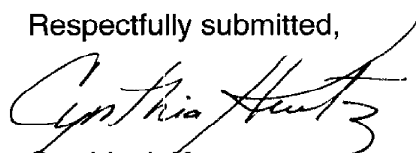
<u>BIDDERS</u>	<u>ITEM 1 – 4kv breakers</u>	<u>ITEM 2 – 17kv breakers</u>
ABB, Inc	\$13,191.44	\$15,769.96
Areva	\$15,145.41	\$14,651.79
Eaton	\$21,133.64	NA
Square D	\$19,144.30	\$25,377.10
Young & Co.	\$22,190.32	NA

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

FISCAL IMPACT

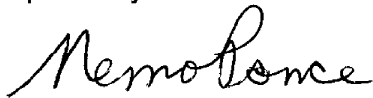
Sufficient funds are available in Fiscal Year 2005 of the Power Division's capital budget; account number 3090, Switchgear Upgrades for Power System Facilities.

Respectfully submitted,



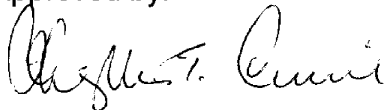
Cynthia J. Kurtz
City Manager

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