

Agenda Report

Date: January 8, 2007

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACTS WITH PERRY C. THOMAS FOR CIVIL CONSTRUCTION AT SANTA ANITA SUBSTATION AND MIRON ELECTRIC FOR ELECTRICAL CONSTRUCTION AT SANTA ANITA SUBSTATION

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated November 17, 2006 submitted by Perry C. Thomas Construction Inc., in response to Specification LD-06-6;
2. Accept the bid dated November 17, 2006 submitted by Miron Electric Construction Corp., in response to Specification LD-06-6
3. Authorize the issuance of a Labor and Materials contract to Perry C. Thomas for a total amount not to exceed \$1,029,362.
4. Authorize the issuance of a Labor and Materials contract to Miron Electric for a total amount not to exceed \$683,080.

BACKGROUND

The Electric Distribution System Master Plan identified a number of critical upgrades required at Santa Anita Substation. On January 30, 2006, City Council approved the purchase of three new 34kV 10.8 MVAR capacitor banks to serve increasing reactive power demands of the power system and to meet contractual obligations.

Because of limited space within the existing control building for the new capacitor bank control and relaying systems, a new control building was required, and the purchase

was approved by City Council on June 21, 2006. This control building was sized for the eventual migration for upgrade of other existing control and relaying systems.

On October 18, 2006, a Notice Inviting Bids to Provide Labor and Materials for Civil and/or Electrical Construction at Santa Anita Substation in accordance with specifications LD-06-6 was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to seventeen businesses on the Purchasing Division's vendor list. Two bids were opened on November 17, 2006. The per unit item bid results are as follows:

<u>BIDDERS</u>	<u>PART II CIVIL CONST.</u>	<u>PART III ELEC. CONST.</u>
Perry C. Thomas	\$859,744.00	No Bid
Miron Electric	No Bid	\$573,000.00

In 2005, when this project was proposed and the original budget was prepared, the Department assumed that we would be able to use the existing facilities and there would be minimal construction work, estimated at \$250,000. When staff determined that a new control house was needed, it seemed prudent to make some additional site changes to prepare for future expansion at the same time. The construction scope of work now includes more extensive excavation work, and the laying of a foundation. The engineering estimate for the electrical and civil scope of work was \$1,400,000 (total). Staff recommends contract award to Perry C. Thomas for Civil Construction, and Miron Electric for Electrical Construction, whose bids were within 2.3% of this estimate.

The proposed contract amount with Perry C. Thomas for Civil Construction is not-to-exceed \$1,029,362 and includes the base bid amount and taxes of \$859,744 and a 20% contingency of \$169,618.

Base Bid	\$848,092.00
Applicable Taxes	\$11,652.00
20% Contingency	<u>\$169,618.00</u>
Contract Amount	\$1,029,362.00

The proposed contract amount with Miron Electric for Electrical Construction is not-to-exceed \$683,080 and includes the base bid amount and taxes of \$573,000 and a 20% contingency of \$110,080.

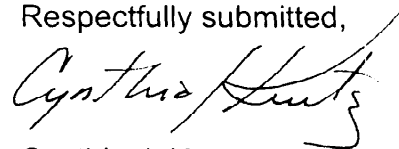
Base Bid	\$550,400.00
Applicable Taxes	\$22,600.00
20% Contingency	<u>\$110,080.00</u>
Contract Amount	\$683,080.00

Since the facility is more than 60 years old, a 20% contingency is used instead of the typical 10% to cover any necessary change orders due to unforeseen additional work such as, soil clean up if soil contamination is discovered, removal of any substructure that was not shown on the as built drawings, and any relocation of electrical equipment necessitated by the unanticipated conditions.

FISCAL IMPACT

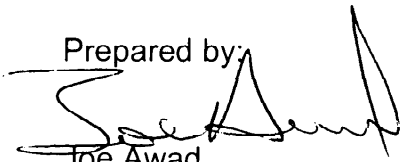
An additional \$950,000 in appropriation is required to provide sufficient funds for this contract award. Transfer of \$950,000 from CIP 3185 to CIP 3015 from 2006 appropriations was requested through the Finance Committee as an amendment to the FY 2007 CIP Budget. This transfer will provide sufficient funds for this contract award. Based on our progress in the past six months, the remaining appropriated funds in CIP 3185 are still adequate to complete projects in the remaining six months of FY 2007. There will be no impact on the total Department of Water and Power FY 2007 CIP budget.

Respectfully submitted,



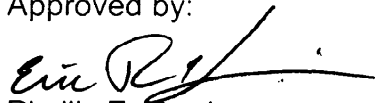
Cynthia J. Kurtz
City Manager

Prepared by:



Joe Awad
Business Unit Director
Water and Power Department

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department

**Disclosure Pursuant to the
City of Pasadena Taxpayer Protection Amendment of 2000
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor/Organization, as follows:
(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:

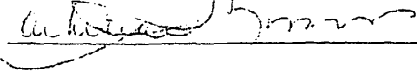
Perry C. Thomas Construction, Inc.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

Catherine Thomas - President/Secretary
Perry Thomas - Vice President

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

Catherine Thomas
Perry Thomas

Prepared by: 
Title: President
Date: 11-17-06

For office use only: Contract/Transaction No. _____ If not a contract, type of transaction: _____

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(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name: Miron Electric Construction Corp.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

Ronald Kaufman, President
Sylvia Kaufman, Secretary

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

Ronald Kaufman
Sylvia Kaufman

Prepared by: Ronald Kaufman

Title: President

Date: 11/17/06

For office use only:
Contract/Transaction No. _____

If not a contract, type of transaction: _____