

Agenda Report

Date: January 22, 2007

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PERRY C. THOMAS FOR THE CONSTRUCTION OF UNDERGROUND ELECTRICAL CONDUIT SYSTEMS, VAULTS AND OTHER MISCELLANEOUS WORK PER SPECIFICATION LD-06-7 FOR THE WATER AND POWER DEPARTMENT.

RECOMMENDATION

It is recommended that the City Council:

1. Accept the bid dated December 15, 2006 submitted by Perry C. Thomas in response to Specification LD-06-7;
2. Reject all other bids;
3. Authorize the issuance of a Labor and Materials contract to Perry C. Thomas for a period of one year or until an amount not to exceed \$1,500,000 is expended, whichever comes first; and authorize the City Manager to exercise an option to extend the contract up to four additional periods for the amount budgeted by the City for the work during that period, currently estimated at \$3,000,000 per period.

BACKGROUND

In accordance with the City's Electric Service Regulations as adopted by City Council, the Water and Power (Department) must install underground facilities to connect customers in existing underground areas. This contract will be used to do the required work, and to extend existing underground systems where the extension of overhead facilities is not feasible. The contract will also cover replacement, repair and maintenance of existing aging and deteriorating underground system.

The contract issued under Specifications LD-06-7 will enable the Department to further this undergrounding program by providing underground customer service installations, pull boxes, vaults, and other work as the need arises throughout the year.

On November 16, 2006 a Notice Inviting Bids to Provide Labor and Materials, on a unit price basis, for construction of underground electrical conduit systems, vaults and other miscellaneous work in accordance with specification LD-06-7 was published in *The Pasadena Journal* and posted on the City's web page. In addition, specifications were mailed to five businesses on the Purchasing Division's vendor list. Three bids were opened on December 15, 2006. The bids using the per unit item bid is as follows:

<u>BIDDERS</u>	<u>BID PRICE</u>
Perry C. Thomas	\$17,256,920.00
Doty Brothers	\$27,310,817.00
Herman Weissker, Inc.	\$34,380,877.25

The bid price, shown above, was derived by multiplying the quoted unit prices for fifty-four different types of work activities or material or services by the approximate quantity of work projected for the next five years. As stated in the specification, the bid price is used for comparing bidders only and to determine the lowest and best bidder, and is not used for contract award. Payment for work completed or materials and services provided will be based on the quoted unit prices for the actual work performed. When the specification was being prepared, staff estimated \$1,500,000 in work for the first period. This amount includes the repair and replacement of existing underground conduits and vaults that have deteriorated or are at the end of useful life.

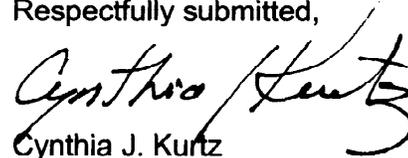
Perry C. Thomas Construction was the lowest responsive bidder that met all of the requirements of the specification and is recommended to receive the contract award for an initial period of one year or until the City has expended \$1,500,000 for the work, whichever comes first. The City will have an option to extend the contract for four additional periods to perform work identified in the master plan and future customer projects. It is estimated that \$3,000,000 per period will be needed to perform this work and will be budgeted in future years. Each such extension period will be one year from the end of the immediately preceding contract period, or until the City expends the amount budgeted by the City for the work during that period, whichever occurs first. Each extension will be approved by the City Manager without further approval by the City Council. The City's decision to extend the contract at the end of any contract period will be based upon (1) an evaluation of the contractor's performance during the preceding contract period, and (2) the contractor's proposed changes in the bid schedule and specification. Approximately 60 days before the end of any contract period the contractor may submit proposed changes.

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

FISCAL IMPACT

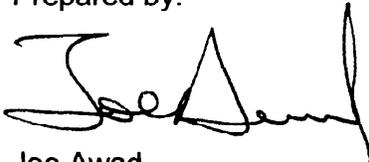
Sufficient funds for the first year are available in the Power Division's CIP No. 3001, Services from Utility Underground Systems Private Property Vaults; 3002 Distribution System Expansion; 3023 Services from Public Right of Way and 3185 Replacement and Upgrade of Electrical Equipment. Options to extend the contract beyond the initial period will not be exercised unless sufficient funds are available in the capital budget and have been appropriated by Council.

Respectfully submitted,



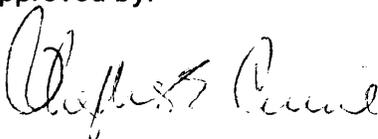
Cynthia J. Kurtz
City Manager

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: _____
