

# Agenda Report

DATE: June 2, 2008

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH SHAW ENERGY DELIVERY SERVICES, INC. FOR OWNER ENGINEER (CONSULTANT) SERVICES FOR CHESTER, HASTINGS, AND BROOKSIDE ELECTRIC POWER SUBSTATION EXPANSIONS.

## **RECOMMENDATION**

It is recommended that the City Council:

1. Accept the proposal dated April 10, 2008, from Shaw Energy Delivery Services in response to an RFP dated March 6, 2008 and authorize a contract to Shaw Energy Delivery Services not to exceed \$1,000,000.
2. Acknowledge that the proposed contract is exempt from competitive bidding pursuant to the City Charter Section 1002(F), contracts for professional or unique services.
3. Acknowledge that the project is exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act (Public Resources Code §21080(b)(9); Administrative Code, Title 14, Chapter 3, Class 30 §15330 (Minor Actions to Prevent, Stabilize, Mitigate or Eliminate the Release or Threat of Release of Hazardous Wastes or Hazardous Substances.)

## **BACKGROUND**

Pasadena Water and Power Department (Department) has begun a large capital improvement project to upgrade the City's electrical infrastructure by replacing aging electrical substations and upgrading its service connections. The project consists of installing new 34/17-kV transformers and 17-kV switchgear at Chester, Hastings, and Brookside Substations as well as 34-kV sub-transmission line additions for Hastings.

This project is estimated at a total of approximately \$15 million for design, material, and construction, and will take up to four years to complete.

These projects will require a substantial multi-disciplinary design engineering and project management effort. The Department does not have an adequate number of engineers to carry out the detailed design and project management of this project and does not recommend hiring permanent staff for a four year project duration. Instead, the Department proposes to hire an engineering firm that will be capable of providing these additional resources and perform the required engineering tasks.

A Request for Proposals (RFP) for engineering services was published on the City web page and mailed to 60 vendors on March 6, 2008. Ten firms attended a mandatory scope and job walk on March 20, 2008, indicating their interest. Two proposals were received on April 10, 2008, from Shaw Energy Delivery Services, Inc (Shaw), and Henkels & McCoy, Inc.

**Evaluation:**

The two proposals were evaluated as defined in the RFP, by a ranked combination of price and technical factors, as follows:

<b><u>Bid Submittal Element</u></b>	<b><u>Weight</u></b>	<b><u>Shaw</u></b>		<b><u>Henkels &amp; McCoy</u></b>	
		<b><u>Raw Score</u></b>	<b><u>Weighted Score</u></b>	<b><u>Raw Score</u></b>	<b><u>Weighted Score</u></b>
Price	30%	2	0.6	1	0.3
Personnel experience	20%	2	0.4	1	0.2
Technical answers to RFP	20%	2	0.4	1	0.2
Schedule	10%	1	0.1	2	0.2
Innovation	10%	2	0.2	1	0.2
Local Preference	5%	0	0	0	0
Micro or Small Business	5%	0	0	0	0
<b>TOTAL SCORE</b>	<b>100%</b>		<b>1.7</b>		<b>1.1</b>
<b>Maximum Possible Score = 2.0</b>					

Henkels & McCoy's proposal was for a total cost of \$1,235,367 and Shaw's was for a total cost of \$931,788. The schedule proposed by Shaw is acceptable and will not result in a project delay. Shaw provided the lowest price and is the best evaluated vendor.

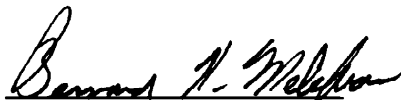
The Department recommends that the City Council authorize a contract to Shaw Energy Delivery Services, Inc. for an amount not to exceed \$1,000,000 that includes the base amount proposed of \$931,788 and \$68,212 in contingency to cover any unexpected design changes.

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**

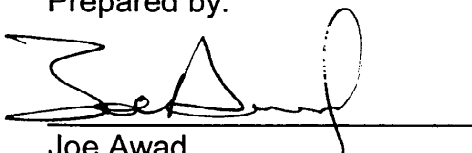
Sufficient funding is available in the Capital Improvement Power Fund 411, Project Account 3090.

Respectfully submitted,




**BERNARD K. MELEKIAN**  
City Manager

Prepared by:



**Joe Awad**  
Business Unit Director  
Water and Power Department

Approved by:

for 

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

1. Contractor Name:  
Shaw Energy Delivery Services, Inc.

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

See Attached Form

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


Prepared by: Lisa Gianinoto

Title: Proposal Administrator

Date: January 20, 2006

For office use only
Contract No. _____

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

Official Registered Name	Jurisdiction	FEIN	Shareholder	% Ownership	Address	Directors	Officers
Shaw Energy Delivery Services, Inc.  (Changed name on 01/21/04 to Shaw Energy Delivery Services, Inc. from Energy Delivery Services, Inc. Changed name on 03/19/02 to Energy Delivery Services, Inc. from formation name of Federal Construction Company)	North Carolina  07/28/1966  Shaw Acquisition: Acquired stock from Duke Energy Global Markets, Inc. ("Duke") as of 12/31/03. Duke acquired the stock from J. Richard Cottingham on 02/20/02.  Purpose: Engineering, design, construction, maintenance and technical services firm specializing in power delivery systems: electric transmission & distribution lines and substations; asset management; and strategic services.	56-0861901	Shaw Transmission & Distribution Services, Inc.	100%	128 Tryon Street Charlotte, North Carolina 28202 (704) 382-0280 (704) 382-2499(Fax)	Robert L. Belk Gary P. Graphia	T. A. Barfield, Jr. – Chief Executive Officer Johnny M. Priest – President and COO Robert L. Belk – Executive VP and Treasurer Mansour Pourcyrous – Vice President Malcolm Niven – Vice President Dirk J. Wild – Assistant Treasurer Gary P. Graphia – Secretary