

Agenda Report

February 27, 2012

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ONE SOURCE DISTRIBUTORS FOR THE FURNISHING AND DELIVERY OF UTILITY VAULT VENTILATION EQUIPMENT FOR THE WATER AND POWER DEPARTMENT.

RECOMMENDATION:

It is recommended that the City Council:

1. Acknowledge that this action 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 1 §15301 (Existing Facilities) and Class 2 §15302 (Replacement or Reconstruction);
2. Accept the bid dated December 14, 2011, submitted by One Source Distributors for utility vault ventilation equipment; reject all other bids; and authorize the City Manager to issue a purchase order contract for three years or until \$900,000 has been expended, whichever comes first; with two optional one-year extensions, each not to exceed \$300,000.

BACKGROUND:

Through the normal course of providing electrical service to our customers, the Water & Power Department (PWP) requires a variety of parts and equipment for the electrical distribution system, including vault ventilation equipment. Existing vault ventilating equipment in the system requires preventive maintenance including either unit replacement or single component replacement. New vault ventilation equipment is installed for all new electrical construction where adequate ventilation is required due to the high temperatures reached by high-voltage electrical equipment. The vault ventilation equipment purchased under this contract is required for planned and future projects.

On November 24, 2011 a Notice Inviting Bids was issued for Specifications LD-11-11 for the furnishing and delivering of vault ventilation equipment. The Notice was published in the *Pasadena Star News* and posted on the City's web page. Bid packets were obtained by five vendors, three of whom submitted bids for the project. Three responsive bids were opened on December 14, 2011:

<u>Bidder/Location</u>	<u>Amount (Annual)</u>
1. One Source Distributors, Buena Park, CA	\$253,982
2. HD Supply, Corona, CA	\$258,845
3. Cal Turbo, Inc., Fontana, CA	\$301,052
 ENGINEER'S ESTIMATE	 \$300,000

One Source Distributors is the lowest responsive bidder that meets all the requirements of the specifications. It is recommended that One Source Distributors be awarded the contract. The proposed purchase order contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated there under.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt under CEQA Guidelines Sections 15301 and 15302. Section 15301 (Existing Facilities) exempts actions such as maintenance, repair and operation relating to existing facilities, mechanical equipment, or structures where there is negligible or no expansion of the use. Section 15301(b) specifically identifies existing facilities of publicly-owned utilities used to provide electric power.

Section 15302 (Replacement or Reconstruction) exempts the replacement and/or reconstruction of existing facilities or structures on the same site as the existing structure and where the new structure will have substantially the same purpose and capacity as the structure being replaced. Section 15302(c) specifically identifies existing utility systems and facilities. The proposed contract will provide equipment for necessary repairs or construction to maintain existing electrical infrastructure.

FISCAL IMPACT:

The maximum cost of this action if both extensions are approved is \$1,500,000 over five years. The cost of this will be addressed by utilizing existing and future appropriations in the Power Capital Fund. It is anticipated that \$100,000 will be spent during the current fiscal year. The remainder of the costs will be spent over the next four fiscal years. Purchases will not be authorized under this contract unless sufficient funding is available each fiscal year in the appropriate capital budgets. The following table presents a summary of the source of funds currently budgeted for this contract:

Purchase Order Contract with One Source

February 27, 2012

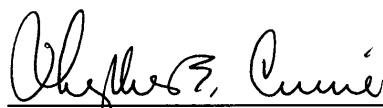
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Power Capital Fund 411	
Budget 3174 – Utility Underground	\$25,000
Budget 3001 – Services from Utility Underground System – Private Property Vaults	\$15,000
Budget 3023 – Services from Public Right of Way	\$10,000
Budget 3185 – Replacement and Upgrade of Electrical Equipment and Facilities	\$35,000
Power Operating Fund 401	
Account 8101-843220	\$15,000
Total Fiscal Impact – Fiscal Year 2012	\$100,000

This contract will have no impact on other operational or capital projects, other than minor costs for contract administration. The following table represents a contract summary:

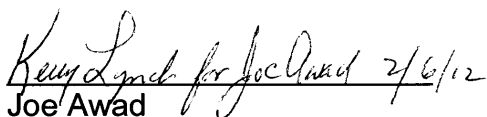
	Initial Term (3 Years)	Year 4	Year 5
Base Contract Amount	\$750,000	\$250,000	\$250,000
Contingency	\$150,000	\$50,000	\$50,000
Not To Exceed Amount	\$900,000	\$300,000	\$300,000
Contract Administration	\$6,000	\$2,000	\$2,000
Fiscal Impact	\$906,000	\$302,000	\$302,000
Total Maximum Fiscal Impact Over Five Years		\$1,510,000	

Respectfully submitted,



Phyllis E. Currie
 General Manager
 Water and Power Department

Prepared by:



Joe Awad
 Assistant General Manager
 Water and Power Department

Approved by:



MICHAEL J. BECK
 City Manager