

# Agenda Report

October 15, 2012

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZATION TO EXTEND CONTRACT NO. 20,076 WITH ARB, INC. FOR PROVIDING FIELD PERSONNEL SERVICES AT THE BROADWAY AND GLENARM POWER PLANT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the extension of Contract No. 20,076 with ARB, Inc. is exempt from the California Environmental Quality Act ("CEQA") Guidelines in accordance with Title 14, Chapter 3, Section 15301, (Existing Facilities), and Section 15302 (Replacement or Reconstruction);
2. Authorize the City Manager to extend the Contract No. 20,076 with ARB, Inc. for a two-year period commencing on the date of final execution of the contract, for an amount not to exceed \$200,000.

## **BACKGROUND:**

Pasadena Water & Power ("PWP") is currently implementing several capital improvement projects at the power plant to meet regulatory compliance requirements; and to keep the power generating units operating safely, reliably, and efficiently. Presently, PWP utilizes in-house staff to perform major plant equipment repairs and maintenance. As the workload associated with these tasks has increased and cannot be sustained utilizing maintenance staff, PWP requested authorization to contract for field personnel on an as-needed basis.

On October 5, 2009, the City Council authorized PWP staff to contract with ARB, Inc. to provide field service personnel for the various capital improvement projects in the power plant. The contract was approved for a term of three years or after expending the amount of \$600,000, whichever occurs first. The contract has two two-year extensions subject to the approval of the City Council. Each contract extension is for two years or after expending the not-to-exceed amount of \$200,000 per the contract extension, whichever occurs first.

On February 27, 2012, the City Council approved the first of the two extensions out of which \$172,294 has been expended for Unit B-3 Major Inspection and Repairs. The remainder of the first extension plus second extension funds will be spent to install Unit B-3 high pressure piping hangers as well as to support other future CIP projects and emergency repairs on an as-needed basis. Therefore, PWP staff recommends entering into the second and final two-year contract extension period for an amount not to exceed \$200,000.

The proposed contract will be amended to exercise the second and final two-year contract extension for not-to-exceed \$200,000.

### **COUNCIL POLICY CONSIDERATION**

This contract extension supports the City Council Strategic Goal to improve, maintain, and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

### **ENVIRONMENTAL ANALYSIS:**

Services provided under the proposed contract extension for field services have been determined to be categorically exempt in accordance with Title 14, Chapter 3, Section 15301, (Existing Facilities) and Section 15302 (Replacement and Reconstruction) of CEQA Guidelines. Section 15301 allows for the maintenance, repair, minor alteration etc. of existing facilities, including publicly owned utilities that involves negligible or no expansion of use. Section 15302 allows for the replacement and reconstruction of existing facilities and structures, including utility systems where the replacement structure/facility will have substantially the same purpose and capacity. There will be no expansion of use or capacity as a result of the required services.

**FISCAL IMPACT:**

The cost of the action for the field services personnel contract extension will be \$200,000. Funding for this action will be addressed by the utilization of the existing budgeted appropriations in the following accounts:

CIP 3182 for GT-1 & GT-2 Renewals and Repairs	25%	\$50,000
CIP 3180 for Power Production Facility Improvement	20%	\$40,000
CIP 3158 for Power Facility Water Treatment and Disposal	5%	\$10,000
CIP 3179 for Azusa Hydro Renewals and Replacements	15%	\$30,000
CIP 3148 for B-3 Renewals and Replacements	20%	\$40,000
CIP 3186 for GT-3/4 Renewals, Replacements and Improvements	5%	\$10,000
Power Fund Operating Budget 8114-401-841200-0502	5%	\$10,000
Power Fund Operating Budget 8114-401-841200-0502	5%	\$10,000
<b>Total</b>	<b>100%</b>	<b>\$200,000</b>

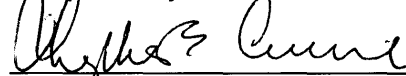
It is anticipated that \$100,000 will be spent during the current fiscal year 2013. The remainder of the cost will be spent over the next fiscal year.

The following table presents a summary of the total fiscal impact:

<b>Field Service Personnel:</b>	
Contract Extension Amount	\$200,000
<b>Total Fiscal Impact</b>	<b>\$200,000</b>

There are no other anticipated impacts to other operational programs or capital projects as a result of this action.

Respectfully submitted,



PHYLLIS E. CURRIE

General Manager

Water and Power Department

Prepared by:

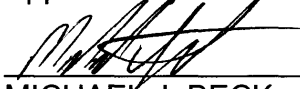


Wes Stengel

Associate Engineer

Power Supply Business Unit

Approved by:



MICHAEL J. BECK

City Manager