

# Agenda Report

July 21, 2014

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH PERRY C. THOMAS CONSTRUCTION, INC., FOR AN AMOUNT NOT TO EXCEED \$873,076 TO PROVIDE LABOR AND MATERIALS FOR CONSTRUCTION OF AN UNDERGROUND ELECTRICAL CONDUIT SYSTEM IN VALLEY VIEW AVENUE FOR THE WATER AND POWER DEPARTMENT

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the project is exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act ("CEQA") Public Resources Code §21080(b)(9); Administrative Code, Title 14, Chapter 3, Class 2 §15302 (replacement or reconstruction);
2. Accept the bid dated June 10, 2014, from Perry C. Thomas Construction, Inc. in response to Specifications LD-14-5 for construction of an underground conduit system; and authorize the City Manager to enter into a contract with Perry C. Thomas Construction, Inc., for an amount not to exceed \$873,076.

## **BACKGROUND:**

Pasadena Water and Power Department ("PWP") is replacing the 4kV distribution system with an underground 17kV system to provide adequate system capacity to meet service demand, provide redundancy and enhance the reliability of electrical service. To facilitate the electrical upgrade in the Hastings Ranch area, PWP must extend the existing 17kV underground infrastructure in Valley View Avenue and Michillinda Avenue. This work is included in the adopted capital budget for the Distribution System Expansion Project.

On May 15, 2014, a Notice Inviting Bids to Provide Labor and Materials for Construction of an Underground Electrical Conduit System on Valley View Avenue from Mead Alley to Denair Street and in Michillinda Avenue at Startouch Drive in accordance with Specifications LD-14-5 was published in the Pasadena Journal and posted on the City's web page. Twenty vendors attended a mandatory pre-bid meeting on May 27, 2014.

Four responsive bids were opened on June 10, 2014:

| <b><u>Contractor</u></b>                         | <b><u>Bid Amount</u></b> |
|--|--------------------------|
| Perry C. Thomas Construction, Inc., Monrovia, CA | <b>\$793,706</b>         |
| VCI Construction, Inc, Upland, CA                | <b>\$799,477</b>         |
| Minco Construction, Gardena, CA                  | <b>\$964,000</b>         |
| Vantage Utility Service, Upland, CA              | <b>\$1,178,600</b>       |

Perry C. Thomas Construction, Inc. was the lowest responsive bidder that met all the requirements of the specifications. Staff recommends award of a contract to Perry C. Thomas Construction, Inc. for an amount not to exceed \$873,076 which includes the base bid and a 10% contingency for any necessary change orders.

The proposed contract will allow PWP to construct the underground substructure necessary to connect the existing underground electrical system to the existing overhead electrical system in specified locations within 40 days after a Notice to Proceed is issued. PWP does not have any in-house civil construction crews, and this type of work is typically done by contractors.

The proposed contract complies with 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; to provide a high level of public service which adds to the quality of life in the City and increase its attractiveness through more efficient management of resources.

**ENVIRONMENTAL ANALYSIS:**

The proposed contract is exempt from CEQA pursuant to the State CEQA Guidelines Section 15302(c) and (d) (Replacement or Reconstruction), which exempts the replacement and/or reconstruction of existing facilities or structures, including utility systems and/or facilities, involving negligible or no expansion of capacity. The proposed work will provide construction necessary to maintain existing electrical infrastructure and operational flexibility. Section 15302(d) specifically exempts the conversion of overhead electrical utility distribution system facilities to underground, including connection to existing overhead electrical distribution lines where the surface is restored to the condition existing prior to the undergrounding.

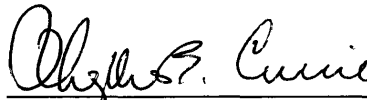
**FISCAL IMPACT:**

The maximum cost of this action is \$923,076, which includes contract administration and inspections. All funds will be spent in fiscal year 2015. The cost will be addressed by utilizing existing appropriations in the Power Capital Fund 411, Capital Project Number 3002, Distribution System Expansion. The following table summarizes the total fiscal impact.

| <b>Total Expenditure in Fiscal Year 2015</b> |           |
|--|-----------|
| Base Contract Amount                         | \$793,706 |
| Contingency                                  | \$79,370  |
| Not to Exceed Amount                         | \$873,076 |
| Administration/Inspections                   | \$50,000  |
| Total Fiscal Impact                          | \$923,076 |

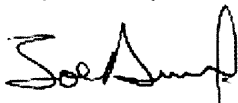
There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



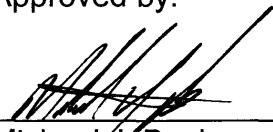
Phyllis E. Currie  
General Manager  
Water and Power Department

Prepared by:



Joe Awad  
Assistant General Manager  
Water and Power Department

Approved by:



Michael J. Beck  
City Manager