

Agenda Report

June 1, 2015

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: REJECTION OF ALL BIDS TO FURNISH AND DELIVER MISCELLANEOUS ELECTRIC UTILITY MATERIALS AND APPROVE A RETROACTIVE EXTENSION TO THE EXISTING PURCHASE ORDER CONTRACT WITH ONE SOURCE DISTRIBUTORS FOR AN ADDITIONAL SIX-MONTH PERIOD AND INCREASE THE NOT-TO-EXCEED CONTRACT AWARD FROM \$5,400,000 TO \$5,850,000

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") review pursuant to the Guidelines §15301, Existing Facilities;
2. Reject all bids received on March 27, 2015, in response to Specification LD-14-04 to furnish and deliver miscellaneous electric utility materials for the Water and Power Department;
3. Approve the retroactive extension to the existing purchase order contract with One Source Distributors, Inc. for an additional six-month period and increase the not-to-exceed amount from \$5,400,000 to \$5,850,000.

BACKGROUND:

On February 8, 2010 the City Council approved a contract award to One Source Distributors, Inc. ("One Source") to furnish and deliver miscellaneous electric utility materials for the not-to-exceed amount of \$3,600,000 for a period of four years with two optional one-year extensions, each not to exceed \$900,000 per year, for a total maximum expenditure amount of \$5,400,000. The current contract with One Source expired on May 10, 2015 and has a remaining balance of approximately \$50,000.

A Notice Inviting Bids was published in *The Pasadena Journal* and posted on the City's web page on February 26, 2015. In addition, Specification LD-14-04 was sent to eleven businesses on the Purchasing Division's vendor list. Two bids were opened on March 26, 2015 but both were incomplete and failed to meet the criteria outlined in the Specification.

The Department recommends that the City Council reject all bids and extend the existing purchase order contract with One Source for an additional six month period and increase the not-to-exceed amount from \$5,400,000 to 5,850,000. This will allow the Department to continue to perform its daily construction, operation, and maintenance work until a new contract is in place in six months or less. This extension will also allow staff to amend the specification and clarify any misinterpretations of the bid items in an effort to increase the bid pool and obtain complete bids.

The existing contract with One Source furnishes a variety of miscellaneous parts, material and equipment used frequently during construction, operation, and maintenance of the electrical distribution system through the normal course of providing electrical services to PWP's customers. Examples of the items purchased under this contract award are listed below.

Cable/Wire Connectors	Cutout Switches	Equipment Fuses	Vault Materials
Cable Splices	Disconnect Switches	Insulators	Voltage Regulators
Construction Tools	Electrical Conduit; PVC	Pole Top Materials	Wires for Poles

The City has multiple purchase order contracts with One Source for the supply of various electrical transformers and relays. One Source represents multiple manufacturers of equipment utilized by the utility such as GE/Prolec, Central Maloney, California Turbo, Inc., Schweitzer Engineering, Mega Power, etc. and frequently responds to requests for bids by the City of Pasadena.

COUNCIL POLICY CONSIDERATION:

The contract extension supports the Public Facilities Element of the General Plan and supports the City 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 extension is exempt under CEQA Guidelines Section 15301 (Existing Facilities), which exempts actions such as maintenance, repair and operations 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. The actions proposed herein are for materials for repair and/or maintenance of current PWP facilities and do not expand the capacity of the electric distribution system.

FISCAL IMPACT:

The total fiscal impact of this action is \$452,000: \$450,000 for the six month contract extension and \$2,000 for the administration of the contract.

The proposed contract amendment will have minimal impact on other operational or capital projects.

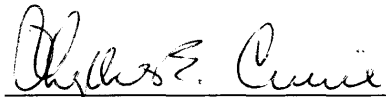
Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Water and Power Department's Power Capital Fund Number 411 as follows:

Budget 3001	Services from Utility Underground System	\$100,000
Budget 3023	Services from Public Right of Way	\$50,000
Budget 3117	Wood Utility Pole Replacement/Reinforcing Program	\$50,000
Budget 3161	Capacity and Reliability Sustaining Program	\$100,000
Budget 3174	Utility Underground Districts	\$50,000
Budget 3191	4kV Distribution System	\$100,000
Total Projected Expenditure in Fiscal Years 2015 and 2016		\$450,000

A Project Manager in the Power Delivery Business Unit of Water & Power will administer the contract extension. The following table represents a contract summary:

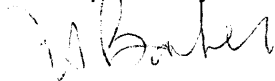
	Extension Term (6 months)
Incremental Amount	\$450,000
Contract Administration	\$2,000
Total Maximum Fiscal Impact Over Six Months	\$452,000

Respectfully submitted,




Phyllis E. Currie
 General Manager
 Water and Power Department

Prepared by:



For Joe Awad
 Assistant General Manager
 Water and Power Department

Approved by:



Michael J. Beck
 City Manager