



Agenda Report

June 11, 2018

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH AVO MULTI-AMP CORPORATION DBA: MEGGER TO FURNISH MATERIALS AND SUPPLIES FOR TRANSFORMER CAPACITANCE AND POWER FACTOR / TAN-DELTA TEST SET IN AN AMOUNT NOT TO EXCEED \$82,268 WHICH INCLUDES A 5% CONTINGENCY OF \$3,918

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. Accept the bid dated February 7, 2018 submitted by Avo Multi-Amp Corporation DBA: Megger ("Megger") in response to Specifications LD-17-12 to furnish materials and supplies for capacitance and power factor / tan-delta test set for the Water and Power Department; reject all other bids, and authorize the City Manager to enter into a Purchase Order ("PO") Contract in an amount not-to-exceed \$82,268 which includes a 5% contingency of \$3,918.

BACKGROUND:

Pasadena Water and Power ("PWP") provides electricity to more than 65,000 customers. The Power Distribution System includes over eight thousand distribution transformers that require transformer test instruments to maintain optimal performance and ensure long-term operability of transformer assets. The primary goal of performing diagnostic testing on power transformers is to ensure safe operation and achieve maximum useful life.

PWP issued Specifications LD-17-12 to furnish materials and supplies for a distribution transformer, capacitance and power factor / tan-delta test set. The test set analyzes the insulation of a transformer to ensure that the asset remains reliable over its useful life.

The Specifications were advertised in the Pasadena Journal and available for download via PlanetBids on January 4, 2018. 1066 vendors received electronic notifications (45 of which were local) and 17 vendors downloaded the Specifications (one local). No local vendors submitted bids.

Two bids were received and opened on February 7, 2018.

Bidder(s)	Total Price
Avo Multi-Amp Corporation DBA: Megger (Dallas, TX)	\$78,349.99
One Source Distributors, Garden Grove, CA	\$128,001.62

Megger was the lowest responsive and responsible bidder that met all the requirements of the Specifications. Therefore, staff respectfully recommends that the City Council authorize the City Manager to enter into a PO contract with Megger in an amount not-to-exceed \$82,268, to furnish materials and supplies for a distribution transformer capacitance and power factor / tan-delta test set. The total not-to-exceed amount includes sales tax, delivery, user training and a 5% contingency. The contingency amount provides for additional taxes, tariffs, user training and/or supporting materials, if required. Megger has been awarded a number of purchase orders to inspect, diagnose, and repair electrical equipment for PWP for a total of \$50,727 since 2015.

The proposed PO contract complies with the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code Chapter 4.08 and the rules and regulations promulgated thereunder.

COUNCIL POLICY CONSIDERATION:

The proposed PO contract is consistent with the City Council Strategic Planning Goal to improve, maintain, and enhance public facilities and 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 action proposed herein is not subject to the CEQA in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The authorization of the proposed PO contract, which provides for the purchasing of equipment, is a continuing administrative and maintenance activity (i.e., purchasing of supplies). Moreover, this action would not commit the City to undertaking or approving any actual or specific physical construction activities or any other actions that involve physical changes to the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The maximum cost of this action is \$82,268, which includes a 5% contingency of \$3,918. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Power Capital Fund 411, Capital Improvement Project 03021 - *Power System Cable and Transformer Test Equipment*. It is anticipated that the funds will be expended in Fiscal Year 2019.

Avo Multi-Amp Corporation DBA: Megger (Dallas, TX)	\$78,350
5% Contingency	\$3,918
Total Not-to-Exceed	\$82,268

Respectfully submitted,


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STEVE MERMELL
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