

Agenda Report

February 24, 2020

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: **AUTHORIZATION TO ENTER INTO A CONTRACT WITH PARKIA INC., FOR 4KV TO 17KV CONVERSION OF EAGLE ROCK-1 CIRCUIT FOR AN AMOUNT NOT TO EXCEED \$725,448**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines Section 15302 (Class 2 – Replacement or Reconstruction) and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances; and
2. Accept the bid dated November 26, 2019, submitted by Parkia, Inc. in response to specifications for the 4KV to 17KV conversion of the Eagle Rock-1 ("ER-1") circuit; and, authorize the City Manager, or his designee, to enter into a contract in an amount not to exceed \$725,448, which includes a base contract amount of \$659,498 and a 10% contingency of \$65,950 to provide for any necessary change orders.

BACKGROUND:

The Water and Power Department ("PWP") provides electricity to more than 65,000 customers. The Transmission and Distribution ("T&D") System is highly complex and comprised of thousands of components functioning together. The distribution portion of the system contains high voltage lines that operate at either 4,160 Volts ("4kV") or 17,200 Volts ("17kV"). Through the normal course of providing electrical service to its customers, PWP requires a variety of parts and equipment for the T&D system, including utility poles, high and low voltage cables, transformers, switches, and dynamic protective devices.

Due to the age of equipment and power quality issues during peak summer loading within the 4kV areas of the distribution system, PWP has decided to upgrade and convert these areas from 4kV to 17kV. This project will reduce electric loads on the congested ER-1 4kV circuit by shifting a portion and cut it over to the more efficient and higher capacity 17kV Laguna circuit.

The ER-1 4kV to 17kV conversion project will directly improve power quality for the 72 electric services encompassed in the conversion area itself (on Sequoia Dr., Anita Dr., Malcom Dr. Glenover Dr., and Glenullen Dr.), and indirectly improve the power quality of the other 271 services left on the remaining portion of the ER-1 circuit by reducing the amount of load it carries. In addition, the conversion to a higher distribution voltage will reduce the electric system losses.

This project also helps address PWP's aging infrastructure by replacing 13 existing poles and 8 existing transformers with new equipment. Distribution system protection will also be improved by installing a resettable fault interrupter, protection fusing, and approximately 7,500 feet of higher-rated, covered overhead conductor (also known as tree wire). Fire threat risk will be reduced by the aforementioned distribution system protection improvements, which is critical given the South Arroyo area is one of several elevated fire threat districts.

A Notice Inviting Bids was advertised in the Pasadena Journal Newspaper and on the City's website via PlanetBids on November 1, 2019. 1,393 vendors received electronic notification (57 local) and 38 vendors downloaded the Specifications (Two local). No local vendors submitted bids. One bid was received on November 26, 2019 as required by the Specifications and the bid result is below in Table 1.

Table 1: Bid Results

Firm Name	Office Location	Total Bid
Parkia, Inc.	Santa Fe Springs, CA	\$659,498

PWP staff conducted outreach to multiple vendors who were notified of the specification on Planetbids, including the two local vendors. Only one vendor responded stating they did not make a bid due to company project management issues.

The engineer's estimate for this project is \$711,170 with all factors applied but without including an additional 10% contingency. This would make the bid amount of \$659,498 by Parkia, Inc. reasonable and favorable.

It is recommended that Parkia Inc. be awarded the contract for this project as the lowest responsive bidder that met all the requirements of the Specifications. The proposed contract with Parkia Inc. fully complies with the Competitive Bidding and Purchasing Ordinance PMC Chapter 4.08 and the rules and regulations promulgated there under.

The City of Pasadena has never awarded a contract to Parkia, Inc.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council's goals to maintain fiscal responsibility and stability, and PWP's strategic initiatives to enhance customer satisfaction and confidence, improve efficiency and business continuity and maintain PWP's fiscal health and stability.

ENVIRONMENTAL ANALYSIS:

The recommended action is exempt from CEQA pursuant to State CEQA Guidelines Section 15302 (Class 2 – Replacement or Reconstruction). Class 2 exempts from environmental review the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced..." Example (c) specifically states that Class 2 includes, "Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity." The proposed project provides for the replacement of a portion of the power distribution facility. The proposed project would improve the reliability and flexibility of electrical service. Any resulting increase in capacity would be ancillary and negligible. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The maximum cost of this action will be \$725,448. Funding for this action will be addressed by the utilization of existing appropriations in the Power Capital Fund 411, Capital Improvement Project number 3227. Table 2 shows a complete summary of contract costs.

Table 2: Contract Summary

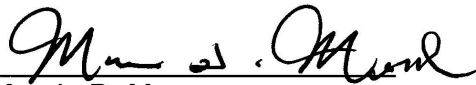
Contract Expenditures	Amount
Base Contract Price	\$659,498
Contingency (10%)	\$65,950
Total Not-To-Exceed Contract:	\$725,448

Respectfully submitted,



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Edw

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