

Agenda Report

August 28, 2023

TO: Honorable Mayor and City Council

FROM: Department of Water and Power

SUBJECT: AUTHORIZATION TO ENTER INTO SEPARATE CONTRACTS WITH PAR WESTERN LINE CONTRACTORS AND DIVERSIFIED UTILITY SERVICES, INC. FOR OVERHEAD DISTRIBUTION INFRASTRUCTURE IMPROVEMENT PROJECTS FOR THE WATER AND POWER DEPARTMENT

RECOMMENDATION:

It is recommended that the City Council:

1. Find the proposed action to be categorically exempt under 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 bids dated April 18, 2023, submitted by PAR Western Line Contractors ("PAR") in response to the specifications for the Overhead Distribution Infrastructure Improvement Projects for the Water and Power Department ("PWP"); and authorize the City Manager to enter into a contract with PAR for an amount not to exceed \$2,445,895 or a period of three years, whichever occurs first. The total cost includes a base contract amount of \$2,223,541 and a 10% contingency of \$222,354 to provide for any necessary change orders; and
3. Accept the bids dated April 18, 2023, submitted by Diversified Utility Services, Inc. ("Diversified") in response to the specifications for the Overhead Distribution Infrastructure Improvement Projects for the Water and Power Department ("PWP"); and authorize the City Manager to enter into a contract with Diversified for an amount not to exceed \$216,716 or a period of three years, whichever occurs first. The total cost includes a base contract amount of \$197,015 plus a 10% contingency of \$19,701 to provide for any necessary change orders.

BACKGROUND:

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.

Staff plans to upgrade the power distribution system from 4KV to 17KV along sections of three existing circuits which are F9, F11, and S3 (Temple Alley). These projects which are included in the Fiscal Year 2024 adopted Capital Improvement Program budget will solve power quality issues, such as voltage drop during summer months, and add electrical capacity to the upgraded circuits for future load growth. These projects are also required to facilitate upcoming substation projects.

The F9 project requires replacement of 90 power poles and replacement/upgrade of 40 transformers that are nearing end of life, and 42,000 feet of conductor upgrades. The F11 project requires replacement of 52 power poles and replacement/upgrade of 22 transformers that are nearing end of life, and 17,000 feet of conductor upgrades. The F9 and F11 projects are located in the northwest area of Pasadena. The S3 project requires replacement of 10 power poles and replacement/upgrade of seven transformers that are nearing end of life, and 4,800 feet of conductor upgrades. The S3 project is located within the central area of Pasadena. PWP will provide the materials for this project.

On March 2, 2023, a Notice Inviting Bids for the Specifications was published in the Pasadena Press and Pasadena Journal. The invitation was also published on OpenGov, which generated notices to all vendors previously registered with the City for this particular commodity class. A total of 41 vendors downloaded the Specifications, two of which were local. A total of seven bids were received by the bid due date of April 18, 2023, with no bids received from local firms.

The Bid Specifications was written as a multiple award solicitation allowing vendors to submit bids on any one or all of the projects shown in Table I:

Table I: Projects

Project
4KV to 17KV Conversion of F9
4KV to 17KV Conversion of F11
4KV to 17KV Conversion of S3 (Temple Alley)

The responsive bid results are shown below in Tables II, III and IV:

Table II: Bid Summary for F9

Bidder Name	Office Location	Amount
PAR Western Line Contractors	Rancho Cucamonga, CA	\$1,448,311
Diversified Utility Services, Inc.	Bakersfield, CA	\$1,530,072
E.E. Electric, Inc.	Jurupa Valley, CA	\$1,648,483
Wilson Utility Construction Company	Canby, OR	\$2,021,537
Petrelli Electric, Inc.	Agua Dulce, CA	\$2,109,591
Henkels & McCoy	Pomona, CA	\$2,973,486
Parkia, Inc.	Santa Fe Springs, CA	\$4,947,372

Table III: Bid Summary for F11

Bidder Name	Office Location	Amount
PAR Western Line Contractors	Rancho Cucamonga, CA	\$775,230
Diversified Utility Services, Inc.	Bakersfield, CA	\$882,584
E.E. Electric, Inc.	Jurupa Valley, CA	\$1,014,605
Wilson Utility Construction Company	Canby, OR	\$1,188,171
Petrelli Electric, Inc.	Agua Dulce, CA	\$1,221,712
Henkels & McCoy	Pomona, CA	\$1,471,528
Parkia, Inc.	Santa Fe Springs, CA	\$3,170,608

Table IV: Bid Summary for S3 (Temple Alley)

Bidder Name	Office Location	Amount
Diversified Utility Services, Inc.	Bakersfield, CA	\$197,015
PAR Western Line Contractors	Rancho Cucamonga, CA	\$227,348
Wilson Utility Construction Company	Canby, OR	\$278,370
E.E. Electric, Inc.	Jurupa Valley, CA	\$307,435
Petrelli Electric, Inc.	Agua Dulce, CA	\$334,005
Parkia, Inc.	Santa Fe Springs, CA	\$432,385
Henkels & McCoy	Pomona, CA	\$532,498

PAR was the lowest responsive and responsible bidder for the F9 and F11 projects. PWP staff recommends that the City Council authorize the City Manager to enter into a contract with PAR for an amount not to exceed \$2,445,895, or a period of three years, whichever occurs first, for the 4KV to 17KV conversion of F9 and F11 projects. The total cost includes a base contract amount of \$2,223,541 and a 10% contingency of \$222,354 to cover unforeseen field conditions or work scope, and to provide for any necessary change orders.

Diversified was the lowest responsive and responsible bidder for the S3 (Temple Alley) project. PWP staff recommends that the City Council authorize the City Manager to enter into a contract with Diversified for an amount not to exceed \$216,716, or a period of three years, whichever occurs first, for the 4KV to 17KV conversion of S3 (Temple Alley) project. The total cost includes a base contract amount of \$197,015 and a 10% contingency of \$19,701 to cover unforeseen field conditions or work scope, and to provide for any necessary change orders.

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

No prior contracts with PAR or Diversified have been awarded.

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. All three projects are included in the Power Delivery Master Plan.

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 total cost of this action will be \$2,662,611 over three years, which includes the base contract amount of \$2,420,556 and a 10% contingency of \$242,055 to provide for any necessary change orders. Funding for this action will be addressed by the utilization of existing appropriations in the Power Capital Fund 411, Capital Improvement Program 03227 – 4KV to 17KV Distribution System Conversion Program. It is anticipated that \$2,662,611 will be spent during the current fiscal year.

There is no anticipated impact to other operational programs as a result of this action. The contract summary is shown below in Table V.

Table V: Contract Summary

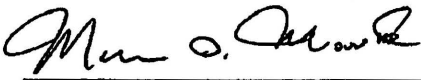
Vendor Name	Base Contract Amount	Contingency (10 %)	Total Not to Exceed Contract Amount
PAR	\$2,223,541	\$222,354	\$2,445,895
Diversified	\$197,015	\$19,701	\$216,716
Total Contracts Not to Exceed Amount			\$2,662,611

Respectfully submitted,



SIDNEY JACKSON
General Manager
Water and Power Department

Prepared by:



Marvin D. Moon
Assistant General Manager
Water and Power Department

Approved by:



MIGUEL MARQUEZ
City Manager