

Agenda Report

May 8, 2023

TO: Honorable Mayor and City Council

FROM: Department of Water and Power

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH VICON ENTERPRISE, INC. FOR THE CONSTRUCTION OF AN OIL CONTAINMENT SYSTEM AT THE VILLA SUBSTATION 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 15301(b) (Existing Facilities) 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 March 7, 2023, submitted by Vicon Enterprise, Inc. ("Vicon") in response to the specifications for the construction of an oil containment system at the Villa Substation for the Water and Power Department ("PWP"); and authorize the City Manager to enter into a contract with Vicon for an amount not to exceed \$603,750 or for a period of two years, whichever occurs first.

BACKGROUND:

Construction of an oil containment system at Villa Substation is needed to prevent environmental damage resulting from potential mineral oil spills originating from transformers or electrical equipment. Federal Environmental Protection Agency ("EPA") regulations require that regulated facilities, including electric facilities, have Spill Prevention, Control, and Countermeasure plans in place to ensure that potentially large oil spills be contained within the immediate area. A large oil spill can be very costly to remediate and has the potential to seep into the groundwater.

The Villa Substation was constructed in 1980, prior to these regulations and it is currently not in compliance. The proposed construction project will make the Villa Substation compliant with Title 40 (Protection of Environment) of Code of Federal

Regulations - Part 112 (Oil Pollution Prevention). The scope of work includes the removal and replacement of existing gravel; soil excavation, backfill, compaction, testing and shoring; installation of reinforced concrete pipe, polyvinyl chloride ("PVC") pipe, reinforced concrete trench with grates, and reinforced concrete structures; hauling, demolition, cleanup, and miscellaneous appurtenant work.

On January 19, 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 11 vendors downloaded the Specifications, none of which were local. A total of two bids were received by the bid due date of March 7, 2023, with no bids received from local firms. Staff is not aware of any local vendors capable of providing these services. The responsive bid results are shown below in Table I.

Table I: Bid Summary

Bidder Name	Office Location	Amount
Vicon Enterprise, Inc.	Anaheim, California	\$483,000
Perry C. Thomas Construction, Inc.	Monrovia, California	\$818,827

Vicon was the lowest responsive and responsible bidder. PWP staff recommends that the City Council authorize the City Manager to enter into a contract with Vicon for an amount not to exceed \$603,750, or a period of two years, whichever occurs first, for the construction of an oil containment system at the Villa Substation. The total cost includes a base contract amount of \$483,000 plus a 25% contingency of \$120,750 to cover unforeseen field conditions or work scope, and to provide for any necessary change orders if soil test results discover the soil to be contaminated. The proposed contract complies with the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code Chapter 4.08 and the rules and regulations promulgated thereunder.

Vicon has not been awarded any previous contracts or purchase orders with the City of Pasadena.

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, to provide cost effective and innovative management of the City's resources, and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The project is categorically exempt under the CEQA Guidelines in Section 15301 Existing Facilities (Class 1), of the State CEQA Guidelines (California Code of Regulations Title 14, Chapter 3). Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. Section 15301 Part (b) specifically applies this categorical exemption to existing facilities of both investor and publicly owned utilities. The project is an alteration of an existing facility involving no expansion of the existing use. 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 \$603,750 over two years, which includes the base contract amount of \$483,000 and a 25% contingency of \$120,750 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 03128 – Substation Oil Containment. PWP anticipates starting the construction in Fiscal Year 2024 and completing it within two years. There is no anticipated impact to other operational programs as a result of this action. The contract summary is shown below in Table II.

Table II: Contract Summary

Base Contract Amount	\$483,000
Contingency Amount (25%)	\$120,750
Total Contract Not to Exceed Amount	\$603,750

Respectfully submitted,

 4/20/2023
SIDNEY JACKSON
General Manager
Water and Power Department


Prepared by:



on behalf of Marvin Moon

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Approved by:


MIGUEL MÁRQUEZ
City Manager