

Agenda Report

June 10, 2024

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH PERRY C. THOMAS CONSTRUCTION, INC. FOR GENERAL CIVIL CONSTRUCTION SERVICES FOR AN AMOUNT NOT-TO-EXCEED \$38,500,000 FOR THE WATER AND POWER DEPARTMENT

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Class 1: Existing Facilities) and Section 15302 (Replacement or Reconstruction); there are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances;
2. Accept the bid dated April 18, 2024, submitted by Perry C. Thomas Construction, Inc. in response to the specifications for General Civil Construction Services for the Water and Power Department ("PWP");
3. Authorize the City Manager to enter into a contract with Perry C. Thomas Construction, Inc. for an amount not-to-exceed \$11,000,000 or for a period of two years, whichever occurs first, with the option for five additional one-year extensions for \$5,500,000 each, whichever occurs first, for a maximum contract amount not-to-exceed \$38,500,000; and,
4. Reject all other bids received upon successful execution of the contract authorized above.

BACKGROUND:

PWP provides electricity to more than 65,000 customers. The Power Distribution System is highly complex and comprised of thousands of components that function together as the Transmission and Distribution ("T&D") System. A critical part of this system is the infrastructure that houses the underground electrical components (i.e. cables, switches, and junctions).

PWP Power Delivery Division does not have in-house civil construction crews and has traditionally used outside contractors for civil construction (i.e. trenching, conduits, vaults, and pull boxes). This type of construction is monitored and inspected by City staff to ensure compliance with standards and requirements. PWP in-house crews will typically install the electrical components after the civil construction is completed.

On February 22, 2024, 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 44 vendors downloaded the Specifications, none of which were local. A total of four bids were received by the bid due date of April 18, 2024, with no bids received from local firms. The responsive bid results are shown below in Table I.

Table I: Bid Summary

Bidder Name	Office Location	Amount
Perry C. Thomas Construction, Inc.	Monrovia, CA	\$5,452,483.23
Doty Bros. Construction Company	Norwalk, CA	\$6,020,918.10
Herman Weissker, Inc.	Riverside, CA	\$7,835,889.05
Northwest Excavating	Northridge, CA	\$8,884,041.19

Perry Thomas was the lowest responsive and responsible bidder. PWP staff recommends that the City Council authorize the City Manager to enter into a contract with Perry C. Thomas Construction, Inc. ("Perry Thomas") for an amount not-to-exceed \$11,000,000, or a period of two years, whichever occurs first, with the option for five additional one-year extensions for \$5,500,000 each, whichever occurs first, for a maximum contract amount not-to-exceed \$38,500,000 for general civil construction services.

The proposed contract award amount has been formulated through an analysis of historical expenditures and projected work plans delineated within the Capital Improvement Programs. The actual payments will be based on the vendor's satisfactory performance.

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.

The City of Pasadena has awarded 12 contracts and 11 purchase orders to Perry Thomas since 2015 for a total not-to-exceed amount of approximately \$31,000,000.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council's Strategic Planning Goals to: (i) improve, maintain and enhance public facilities and infrastructure; and (ii) ensure public safety.

ENVIRONMENTAL ANALYSIS:

The proposed contracts are exempt from CEQA pursuant to the State CEQA Guidelines Sections 15301 and 15302. Section 15301 (Existing Facilities) exempts actions (such as maintenance, repair, operation etc.) relating to existing facilities or structures where there is negligible or no expansion of the use. Section 15302 (Replacement or Reconstruction) exempts the replacement and/or reconstruction of existing facilities or structures including utility systems and/or facilities involving negligible or no expansion of capacity. The proposed work will provide needed repairs or new construction at existing facilities necessary to maintain existing electrical infrastructure and operational flexibility. There is no proposed expansion of capacity.

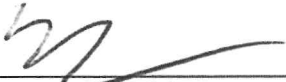
FISCAL IMPACT:

The maximum cost of this action will be \$38,500,000 if all optional extensions are fully exercised. There is no minimum expenditure for this contract and service will be requested as needed based on operational needs. Funding for this action will be addressed by the utilization of existing and future appropriations in the Power Capital Fund 411 in various Capital Improvement Programs including 3229 (Electrical Vault Replacement and Reinforcement Program), 3230 (Vault Cover Lid Replacement Program), 3228 (Distribution System Expansion Program), 3257 (Fire Threat Mitigation Tier 3 Areas), 3220 (Installation of High Voltage Electrical Services) and others as well as the Power Operating Fund 401 account 8114 (Other Contract Services). 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 (Year 1 – 2)	\$11,000,000
One-Year Extensions (Five total)	\$27,500,000
Total Contract Not-to-Exceed Amount	\$38,500,000

Respectfully submitted,



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