

Agenda Report

January 27, 2025

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH ANIXTER, INC. FOR 34.5 KV OUTDOOR VACUUM CIRCUIT BREAKERS FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$4,500,000 FOR THE WATER AND POWER DEPARTMENT

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; and
2. Authorize the City Manager to award contract to lowest and best bid dated October 16, 2024, submitted by Anixter, Inc. ("Anixter") in response to the project plans and specifications for 34.5 kV Outdoor Vacuum Circuit Breaker, for a grand total amount not-to-exceed \$4,500,000, which includes the base contract amount of \$2,700,000 or three years, whichever occurs first, and the option for two additional one-year extensions or an amount not-to-exceed \$1,800,000, whichever occurs first, at the discretion of the City Manager.

BACKGROUND:

Pasadena Water and Power ("PWP") delivers electricity to over 65,000 residential, commercial, and industrial customers within the city of Pasadena. As a key provider of essential services, PWP supports the City's critical infrastructure by ensuring reliable water and power, while also prioritizing environmental sustainability and superior customer service.

To continue providing reliable service, PWP routinely maintains and upgrades circuit breakers, protection relays, meters, and controls at 34.5 kV receiving stations, especially as aging components require replacement or improvements to meet increasing demand and regulatory standards. The proposed contract is necessary to address equipment obsolescence, failures, and upgrades at key facilities. The proposed

contract will require the vendor to provide 34.5 kV outdoor vacuum circuit breakers as needed to support subtransmission system improvements, operations, maintenance, safety, and reliability.

In addition, the proposed contract addresses the upcoming California Air Resources Board (“CARB”) phase out of purchasing new sulfur hexafluoride (“SF6”) gas-insulated equipment starting January 1, 2025. New 34.5 kV vacuum circuit breakers do not contain SF6 gas and meet CARB requirements for new equipment purchases. These new 34.5 kV vacuum circuit breakers will replace existing SF6 gas-insulated equipment.

On September 18, 2024, a Notice Inviting Bids for the Specifications was published on OpenGov, which generated notices to all vendors previously registered with the City for this particular commodity class. A total of 29 vendors downloaded the Specifications, two of which were local. A total of five bids were received by the bid due date of October 16, 2024, with no bids received from a local firm. PWP has contacted the two local vendors that downloaded the Specifications to determine their reason for not participating in the bidding process. One vendor represents multiple manufacturers, none of which were able to commit to a project of this nature at this time. The second vendor did not respond to PWP’s request for information.

Pricing proposals were competitive for four of the five bids received. However, three were disqualified for failing to meet technical or financial requirements outlined in the bid request. The significant difference between the two remaining bids is due to the alternative technology solution proposed by the higher bidder.

The responsive bid results are shown below in Table I.

Table I: Bid Summary

Bidder Name	Office Location	Bid Amount
Anixter, Inc.	Corona, CA	\$714,559
Meiden America Switchgear, Inc.	Gray Court, SC	\$2,085,875

Anixter was the lowest responsive and responsible bidder. PWP staff recommends that the City Council authorize the City Manager to enter into a contract with Anixter for a grand total amount of \$4,500,000 over five years, which includes the base contract amount of \$2,700,000, and the option for two additional one-year extensions or an amount not-to-exceed \$1,800,000, whichever occurs first, at the discretion of the City Manager.

The recommended total not-to-exceed amount is based on PWP's expected workload. The estimated expenditure was developed based on the unit pricing submitted by Anixter in their bid. 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 eight purchase orders and three contracts to Anixter since 2015 for a total not-to-exceed amount of approximately \$51,568,000.

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 action proposed herein is not subject to 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 contract, which provides for the purchasing of materials, supplies and 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.

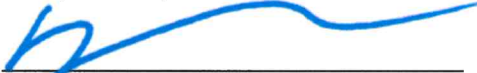
FISCAL IMPACT:

The total cost of this contract is \$4,500,000. Funding for this action will be addressed by the utilization of existing and future appropriations in the Power Capital Fund (411) Receiving Station 35kV Upgrades Capital Improvement Program (3262). It is anticipated that \$1,000,000 of the costs will be expended in fiscal year 2026. There is no impact to the General Fund.

The following table represents a contract summary.

Base Contract Amount	\$	2,700,000
Two Optional One-Year Extensions	\$	1,800,000
Total Fiscal Impact	\$	4,500,000

Respectfully submitted,



DAVID M. REYES
Interim General Manager
Water and Power Department

Prepared by:



Varoojan Avedian
Assistant General Manager
Water and Power Department

Approved by:



MIGUEL MÁRQUEZ
City Manager