

Agenda Report

September 29, 2025

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH TKE ENGINEERING, INC. TO PROVIDE CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR UP TO SIX YEARS FOR AN AMOUNT NOT-TO-EXCEED \$5,000,000

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 enter into a professional services contract as the result of a competitive selection process pursuant to City Charter Section 1002 (F) and Pasadena Municipal Code Section 4.08.047 with TKE Engineering, Inc. for an amount not-to-exceed \$5,000,000 or six years, whichever comes first, to provide construction management and inspection services.

BACKGROUND:

Pasadena Water and Power ("PWP") operates 14 reservoirs throughout the city and within its water service area. The Allen and Don Benito reservoirs were significantly damaged by the 2025 Eaton Fire and windstorm. The Allen Reservoir is a 4.1 million gallon concrete-lined and partially-buried water storage facility that suffered partial structural damage. The Don Benito Reservoir consists of two identical welded steel storage tanks with a capacity of approximately 0.7 million gallons each which sustained damage that require complete replacement of the tanks. The Don Benito tanks were demolished by the United States Army Corp of Engineers in August 2025. In addition, the Arroyo Seco Area 2 Intake Structure is anticipated to begin in fiscal year 2027. The recommended contract will be used for as needed construction management and inspection services for the Allen Reservoir repairs, Don Benito Reservoir replacement, and Arroyo Seco Area 2 Intake Structure, which are eligible for Federal Emergency Management Agency reimbursement.

Construction management services may include assisting PWP's project manager with the construction schedule, work coordination, and contract correspondence. Inspection services may include on-site observation and documentation of contractor work to ensure compliance with safety programs, workmanship, and contract documents. Multi-year contracts have proven to be beneficial by allowing PWP to efficiently obtain timely access to on-call service firms and to reduce the administrative burden and time associated with contracting for such services on a project-by-project basis.

On June 18, 2025, a Request for Proposals ("RFP") was issued, seeking on-call construction management and inspection services for federally funded projects to provide support for various water utility projects. The RFP was posted on OpenGov Procurement with proposals due on July 16, 2025. The electronic posting generated notices to 4,903 vendors. Documents were downloaded by 80 vendors, 7 of which are local. Out of the 11 proposals received, one was from a local firm.

An evaluation panel, comprised of PWP staff, evaluated the proposals using the criteria set forth in the RFP. The proposals were scored as follows.

<u>Firm Name</u>	<u>Location</u>	<u>Total Score</u>
TKE Engineering, Inc.	Riverside, CA	92.0
Fountainhead Consulting Corporation	Fontana, CA	85.9
Onward Engineering	Anaheim, CA	85.5
Accenture Infrastructure and Capital Projects, LLC	Irvine, CA	85.1
Skanska USA Building, Inc.	Pasadena, CA	84.3
EC & AM Associates, Inc. DBA GK & Associates	Diamond Bar, CA	84.0
Transtech Engineers, Inc.	Chino, CA	83.6
HW Lochner, Inc.	Monterey Park, CA	81.5
Dabri, Inc.	Alhambra, CA	80.7
Ladayu Consulting Group	Palos Verdes Estates, CA	79.2
Kane Construction Services, Inc.	Hollywood, CA	74.2

A complete summary of the ranked proposals is included in Attachment A. TKE Engineering, Inc. resulted with the highest score evaluated on a set of criteria demonstrating the firm's extensive construction management and inspection services, experience, and cost. The selected firm will not be guaranteed any specific quantity or value of work and will only be eligible for compensation as specified in the awarded task order, contingent upon satisfactory completion to the City's satisfaction. PWP reserves the right to self-perform any work or conduct additional formal competitive selection processes to consider other firms.

It is recommended to award TKE Engineering, Inc. a contract valued at \$5,000,000 and for a six-year term. Once the approved contract is in place, PWP will solicit a proposal on a project-by-project basis from the consultant and award specific work through a formal task order process.

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 and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the CEQA in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The awarding of contracts for professional services (including on-call construction management and inspection services) is an organizational and administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, no environmental document is required. However, CEQA review may apply to construction projects in the future.

FISCAL IMPACT:


The total cost of this contract is an amount not-to-exceed \$5,000,000 over a six-year term. Funding for this action will be addressed by the utilization of existing and future budgeted appropriations in the Eaton Windstorm and Fire Recovery (01098) and Arroyo Seco Canyon Project (01040) Capital Improvement Program budget. It is anticipated that approximately \$160,000 will be expended in fiscal year 2026 with the remainder expended over the next five years. There is no impact to the General Fund.

Respectfully submitted,



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Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachment A – On-Call Construction Management and Inspection Services for
Federally Funded Projects Proposal Evaluation Summary