

Agenda Report

February 2, 2026

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH TRANSFLUID SERVICES, INC. FOR TESTING AND INSPECTION SERVICES FOR OIL-FILLED EQUIPMENT FOR UP TO FIVE YEARS FOR A GRAND TOTAL AMOUNT NOT-TO-EXCEED \$822,300

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); there are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances; and
2. Award contract to lowest and best bid dated November 6, 2025, submitted by Transfluid Services, Inc. ("Transfluid") in response to the project plans and specifications for Utility Transformer and Other Oil-Filled Equipment Testing and Inspection Services, and authorize the City Manager to enter into a contract for up to five years for a grand total amount not-to-exceed \$822,300, which includes the option for two additional one-year extensions or an amount not-to-exceed \$343,568, 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 utility services, PWP plays a critical role in supporting the City's infrastructure by ensuring the reliable delivery of water and power, while also advancing environmental sustainability and maintaining a high standard of customer service. PWP maintains a network of 14 receiving stations and distribution substations, various power supply facilities across Pasadena, and a hydro-electric facility in Azusa, California.

These sites contain critical liquid-filled electrical equipment that require ongoing inspections and testing to ensure the safety, reliability, and long-term performance of these assets.

Major equipment such as transformer main tanks, load tap changers, high-voltage bushing compartments, and medium-voltage switches contain liquid insulating medium (typically mineral oil or natural ester) which require periodic testing. Oil test results indicate the condition of the oil as well as other internal equipment components. Over time, these test results often provide an indication of gradual deterioration of the device. Thus, the equipment can be proactively replaced before it fails.

On October 10, 2025, a Notice Inviting Bids for the Specifications for Utility Transformer and Other Oil-Filled Equipment Testing and Inspection Services was published on the City's electronic procurement platform, OpenGov. The notice was automatically distributed to all vendors registered with the City under the applicable commodity codes for related services. A total of 36 vendors downloaded the Specifications, one of which was local. A total of four bids were received by the bid due date of November 6, 2025, with no bids received from a local firm. The bid results are summarized below in Table I.

Table I: Bid Summary

Bidder	Location	Annual Bid Amount
Transfluid Services, Inc.	Houston, TX	\$154,884.00
MVA Services	Canton, OH	\$173,280.00
HighPoint Power Systems	Woodbridge, CA	\$578,012.20
Kinectrics AES	Naperville, IL	\$997,654.00

Transfluid was the lowest responsive and responsible bidder. PWP staff recommends that the City Council authorize the City Manager to enter into a contract with Transfluid for a grand total amount not-to-exceed \$822,300, which includes the base contract amount of \$478,732 for up to three years, and the option for two additional one-year extensions, or an amount not-to-exceed \$169,245 for the first extension and \$174,323 for the second extension, at the discretion of the City Manager.

The recommended not-to-exceed amount is based on the low bid amount. 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.

No prior contracts with Transfluid Services have been awarded.

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 proposed contract is exempt from CEQA pursuant to the State CEQA Guidelines in accordance with California Code of Regulations Title 14, Chapter 3, Article 19, Section 15301, Existing Facilities (Class 1). The Class 1 categorical exemption 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 consists of maintenance activities of existing facilities involving no expansion of the existing use. There are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The cost of the recommended action is \$822,300 over five years, if the optional one-year extensions are exercised. Details by Fiscal Year are as follows:

Fiscal Year	Amount
2026 (2 nd half)	\$ 67,722
2027	\$ 159,531
2028	\$ 164,317
2029	\$ 169,245
2030	\$ 174,323
2031 (1 st half)	\$ 87,162

The Department will utilize existing budgeted appropriations in the Power Operating Fund (401) to support the first year of contract costs. Future contract costs will be budgeted as part of the department's annual operating budget. There is no impact to the General Fund.

Respectfully submitted,



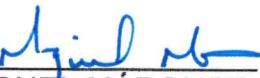
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