

Agenda Report

NOVEMBER 20, 2000

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH RW BECK TO IDENTIFY AND EVALUATE OPTIONS FOR A POWER SYSTEM STRATEGIC RESOURCE PLAN

RECOMMENDATION

It is recommended that the City Council authorize the General Manager of Pasadena Water and Power Department (PWP) to enter into a contract with RW Beck, for an amount not to exceed \$145,000. Technical consulting services provided under this contract will be for the development of a Power System Strategic Resource Plan. The proposed contract is exempt from Competitive Bidding pursuant to City Charter Section 1002(F).

BACKGROUND

Since the initiation of deregulation in California, utilities have faced challenges requiring changes to day-to-day business operations to meet the demand of a competitive marketplace. Although PWP has well-positioned itself by maintaining local generation facilities and providing a financial mechanism for its stranded investment, this summer's market volatility and high prices for power, fuel, and emissions necessitate a deeper evaluation of PWP's power supply resources and future needs. Further, given pending regulatory changes at both the State and Federal levels, it is incumbent upon the Department to review its current business plan and power supply strategies to fulfill its mission of providing reliable and reasonably priced electric service to the residents and businesses of the City.

On October 9, 2000 Request for Proposals (RFP) were sent to eleven consulting firms seeking assistance in studying and developing options for a new "Power System Strategic Resource Plan". On October 31, four responses were received from: 1) RW Beck, 2) Navigant, 3) Barrington Wellesley, and 4) Henwood. Following receipt of the proposals an evaluation committee was formed consisting of the Business Unit Directors for Power Supply, Power Delivery, Customer Care and Finance and Administration. Based on "Competitive

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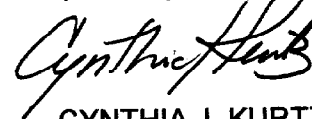
Selection Criteria" set forth in the RFP it was the consensus of the committee that the proposal from RW Beck was the strongest and best suited to provide the services required by PWP at this time. A summary of the proposal evaluation matrix is attached.

RW Beck has completed the required affirmative action forms. The proposed contract complies with the Affirmative Action in Contracting Ordinance, P.M.C. 4.09, and the Rules and Regulations promulgated thereunder.

FISCAL IMPACT

Funds for this contract are available in PWP Power fund fiscal year 2001 operating budget.

Respectively submitted,



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City Manager

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