

Agenda Report

Date: January 3, 2000

To: City Council

From: City Manager

Subject: Authorization to Increase the Not-To-Exceed Amount of Contract Number 16,955 with R.T. Larsen, Inc. for Utility Street Repairs for Pasadena Water and Power, Specification WD-98-06

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to increase the not-to-exceed amount of Contract Number 16,955 with R.T. Larsen, Inc., for utility street repairs, by \$250,000 for a new annual not-to-exceed amount of \$750,000.

BACKGROUND

On July 15, 1999, the City entered into Contract Number 16,955 with R.T. Larsen, Inc. for furnishing of all necessary labor and materials to repave streets, curbs and sidewalks made necessary during the course of water system construction. The contract was for a base term of two years for an amount not to exceed \$500,000 per year.

The annual not-to-exceed amount of the contract was based on the projected amount of paving work associated with water system construction. The amount expended for utility street repairs has ranged between \$350,000 and \$750,000 per year. Since the inception of the contract, the amount of paving work required has exceeded original projections. Since July 1999, the amount of \$482,479 has been expended on this contract.

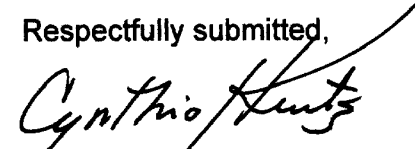
Several factors have contributed to the increased amount of paving work required in the past year. In order to better control the water quality from two of our production wells, the Water Division installed a dedicated main from the two wells to Sunset Reservoir, where the water could be blended with other sources of water. Portions of another dedicated main are also being installed to collect water from four other wells in the east side of the City and deliver it to Jones Reservoir. This has caused an increase in water main installation over the last year and it is anticipated to continue over the next few years.

In light of the increase in water construction work, it is recommended that the City Council authorize an increase of \$250,000 to the annual not-to-exceed amount to \$750,000 for the term of contract and for any subsequent extensions.

FISCAL IMPACT

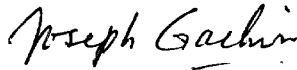
Funds for Utility Street Repairs are provided for in the Water Division's Fiscal Year 1999-2000 Operating and Capital Budgets in various Water and Power accounts.

Respectfully submitted,



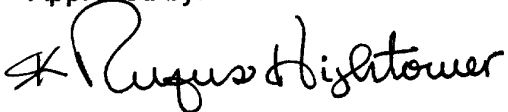
Cynthia J. Kurtz
City Manager

Prepared by:



Joseph K. Gachiri
Civil Engineer
Water and Power Department

Approved by:



Rufus Hightower
General Manager
Water and Power Department