



## CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

### **AGENDA ITEM**

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Report: Amendment No. 3 to Contract No. 8000616 with ARB, Inc. for Ongoing Grayson Site Mechanical and Field Service Support.

1. Resolution dispensing with competitive bidding and authorizing the City Manager, or his designee, to execute Amendment No. 3 to existing specialized Mechanical and Field Services for Glendale Water and Power's Grayson Power Plant with ARB, Inc., Contract No. 8000616, to extend the term of the Contract by nine months.

### **COUNCIL ACTION**

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**Item Type:** Action Calendar

**Approved for** December 10, 2024 **calendar**

### **EXECUTIVE SUMMARY**

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Since July 9, 2019, ARB, Inc. has been providing Site Mechanical and Field Service Support at the Grayson Power Plant (GPP). However, their existing Contract expired as of September 10, 2024, with a remaining unspent balance of \$166,661.00. Glendale Water & Power is requesting a nine-month extension, with a new expiration date of June 10, 2025, in order for ARB, Inc. to continue providing services. All other terms, including the Contract's current not to exceed amount will remain the same.

### **RECOMMENDATION**

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Authorize the City Manager to execute a nine-month extension to the City's existing Contract with ARB, Inc. The extension of time will allow the City to utilize the remaining funds in the Contract for continued specialized mechanical and field services for Unit 9 at the GPP, as well as other facilities. All work will be completed by the new extended date of June 10, 2025.

### **ANALYSIS**

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The GPP operates a simple cycle generator, Unit 9, composed of various components and hardware that have been in service for over 20 years. Many of these major components require specialized maintenance, and there is a limited number of personnel in the workforce with the necessary skills and experience to maintain and refurbish them. As a result, a qualified contractor is needed to provide field services for GPP and other GWP facilities on an "as needed" basis. The contractor must have extensive experience in handling aging infrastructure and be capable of performing complex maintenance tasks.

On July 9, 2019, following a competitive bid process in which the Notice Inviting Bids was advertised in the local paper, posted on eBidboard.com, and directly sent to seven firms, only one bid was received. ARB, Inc., a business unit of the conglomerate Primoris, specializes in industrial plants and facilities, including power generators. The City Council awarded ARB, Inc. a three-year contract totaling \$800,000 to provide labor, equipment, and materials for specialized mechanical and field services at GPP and at Scholl Canyon Landfill Gas Plant, per Specification No. 3804.

On April 19, 2022, City Council approved Amendment No. 1 to this contract, increasing the not-to-exceed amount by \$250,000 and extending the term by two-years, with the contract set to expire on September 10, 2024. On March 21, 2023, City Council approved Amendment No. 2, further increasing the not-to-exceed amount by \$180,000. ARB, Inc. was scheduled to conduct critical work, which included:

<b>Pending Scheduled Work</b>	<b>Cost</b>
Removal and Installation of Unit 9 Gas Inlet Expansion Joint	\$39,755
Disassembly, Bearing Replacement, and Fan Balancing for Unit 9 Turbine Enclosure Fans	\$71,555
Demounting and Installation of Pressure Relief Valves for Unit 9 Ammonia Tank	\$ 8,373

Some of the work was expedited and completed to ensure the unit could meet the summer demand peak. However, with the Unit 9 running throughout the summer, ARB, Inc. was unable to finish the remaining tasks. The contract expired on September 10, 2024, with \$166,661.00 still remaining. Given the foregoing, staff is requesting that the City Council authorize Amendment No. 3, to extend the Contract’s term for an additional nine months, with a new expiration date of June 10, 2025, while using the remaining available funds.

**STAKEHOLDERS/OUTREACH**

Not applicable.

**FISCAL IMPACT**

The contract will continue to operate within the available funds. No additional appropriation is being requested at this time, nor is one anticipated in the near future.

**ENVIRONMENTAL REVIEW (CEQA/NEPA)**

The action requested herein is to extend an already existing contract for the maintenance of existing facilities, and as such it is categorically exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 – existing facilities.

## **CAMPAIGN DISCLOSURE**

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The names and business addresses of the members of the board of directors, the chairperson, CEO, COO, CFO, Subcontractors and any person or entity with more than 10% interest in the company proposed for contract in this Agenda Item Report are attached in Exhibit A, in accordance with City Campaign Finance Ordinance No. 5744.

## **ALTERNATIVES TO STAFF RECOMMENDATION**

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Alternative 1: Not to authorize Amendment No. 3 as recommended herein, which would cease maintenance and/or repair work at the Grayson Power Plant and may result in Unit 9 being unavailable, which may include during the peak energy demand period, due to the inability to make repairs in the absence of a contract.

Alternative 2: Consider any other alternative not proposed by staff.

## **ADMINISTRATIVE ACTION**

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**Submitted by:**

Manuel Robledo, Interim General Manager - Glendale Water and Power

**Prepared by:**

Scott K. Mellon, P.E., Assistant General Manager - Power Management

**Approved by:**

Roubik R. Golanian, P.E., City Manager

## **EXHIBITS/ATTACHMENTS**

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Exhibit A: Campaign Disclosure Form for ARB, Inc.