



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

### AGENDA ITEM

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Report: Construction Contract for the Feeder Reconstruction for 12kV Operation - Time and Equipment Project.

1. Motion authorizing the City Manager, or his designee, to enter into and execute a three-year contract with Hot Line Construction, Inc., for the Feeder Reconstruction for 12kV Operation - Time and Equipment Project, Specification No. 3875, in the amount of \$6,340,890 plus a ten percent (10%) contingency in the amount of \$634,089 per year for a total not-to-exceed amount of \$19,022,670, plus a total contingency of \$1,902,267, with an option to extend the contract for two additional one-year terms at \$ 6,340,890 per year.

### COUNCIL ACTION

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**Item Type:** Consent Calendar

**Approved for**                     May 3, 2022                     **calendar**

### EXECUTIVE SUMMARY

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On November 18, 2021, Glendale Water and Power (GWP) advertised the bid specification for Feeder Reconstruction for 12kV Operation - Time and Equipment, Specification No. 3875. On February 23, 2022, staff received three bids with amounts ranging from \$6,340,890 to \$6,920,607 per year.

The lowest responsible bidder was Hot Line Construction, Inc., with a proposed bid price of \$6,340,890. This bid met all the requirements of Specification No. 3875. Staff's evaluation of this bidder's project experience, facilities and staffing resources, feedback from listed references, and its ongoing contracts with the City of Anaheim and the Los Angeles Department of Water and Power, all indicates that Hot Line Construction, Inc. is a responsible bidder.

### COUNCIL PRIORITIES

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Infrastructure: Rebuilding 4kV electrical distribution line for 12kV operation will improve the system reliability and capacity. An electric distribution line operating at 12kV has three times the capacity of one operating at 4kV.

### RECOMMENDATION

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Authorize the City Manager, or his designee, to enter into and execute a three-year contract with Hot Line Construction, Inc., for the Feeder Reconstruction for 12kV

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Operation - Time and Equipment Project in the amount of \$6,340,890 per year plus ten percent contingency in the amount of \$634,089, for a total not-to-exceed amount of \$19,022,670, plus \$1,902,267 in total contingency for three years with an option to extend the contract for two additional one-year terms at \$ 6,340,890 per year.

## **BACKGROUND**

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As part of GWP’s continuous effort to improve the reliability and operation of Transmission & Distribution system, GWP has been reconstructing the 4kV feeders to 12 kV operation voltage.

In an effort to maintain the infrastructure and continue providing safe and reliable service to its customers, GWP’s master plan includes the conversion of its 4kV distribution feeders to 12kV operational voltage. Replacement of aging and inadequate infrastructure is a critical step in improving the reliability of the City’s electrical system. Transmitting power at the higher 12kV voltage increases efficiency, minimizes power losses, and reduces the likelihood of outages caused by instant contact of the vegetation. In addition, as more renewable sources of localized electrical generation come online, the demand for a higher voltage distribution will continue to grow. The goal of the 12kV Feeder Reconstruction Project is to upgrade up to four feeders per year from 4kV to 12kV, which is a part of GWP’s ten-year Capital Improvement Program plan.

## **ANALYSIS**

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Pursuant to City Council authorization on July 20, 2021, GWP issued Specification No. 3875 to solicit bids for the Feeder Reconstruction for 12kV Operation - Time and Equipment Project. The initial bid solicitation resulted in only one bid in the amount of \$6,340,890 from Hot Line Construction, Inc. The bid was evaluated and the bidder was qualified for the work. However, there was no other bidder to make the bidding competitive. On November 16, 2021, City Council approved staff’s recommendation to reject the sole bid and re-advertise the project. On November 18, 2021, the Specification was re-advertised and posted on the RFP/RFQ/Bid Page on the City’s website and on the eBidBoard website, which also posts projects to several project posting sites.

On February 23, 2022, the three bids shown in table below were received.

Bidder	Bid Amount	Rank
Hot Line Construction, Inc.	\$6,340,890	1
Parkia, Inc.	\$6,893,326	2
Henkels & McCoy, Inc.	\$6,920,607	3

The lowest bid was submitted by Hot Line Construction, Inc. This bid met all the requirements of Specification No. 3875. Staff’s evaluation of this bidder’s project ongoing contracts with the City of Anaheim and the Los Angeles Department of Water and Power, all indicate that Hot Line Construction, Inc., is a responsible and qualified bidder and the lowest responsive bidder.

## CONTRACT DASHBOARDS

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<b>Project Description:</b>	Feeder Reconstruction for 12kV Operation - Time and Equipment
<b>Plans/Specs Adopted:</b>	November 18, 2021
<b>Advertisement Method:</b>	City web site and the eBidBoard
<b>Specs Issued:</b>	Specification No. 3875
<b>Bids Opened:</b>	February 23, 2022
<b>Company Name(s) and Bid Amount(s):</b>	Hot Line Construction, Inc. - \$6,340,889.07 Parkia, Inc. - \$6,893,325.40 Henkels & McCoy Inc. - \$6,920,606.52
<b>Contractor:</b>	Same as above.
<b>New / Existing Contractor:</b>	New
<b>Procurement Method (Bid / SS):</b>	Competitive Bid
<b>Contract Term:</b>	Three-year contract, with the option to extend two additional one-year terms.
<b>Construction Phase Begins:</b>	Upon execution of contract and issuance of PO and Notice to Proceed in FY22-23.
<b>Construction Phase Ends:</b>	Three years from the contract execution date.

## STAKEHOLDERS/OUTREACH

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Not Applicable.

## FISCAL IMPACT

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The Feeder Reconstruction for 12kV Operation – Time and Equipment Project will cost \$6,340,890 plus a ten percent contingency of \$634,089 for a total amount of \$6,974,979 to rebuilt four feeders per year (total of three years). Funding is being included as a part of the FY 22-23 and future years' budget process (Electric Depreciation Fund).

## ENVIRONMENTAL REVIEW

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The project is Categorically Exempt under the provisions of the California Environmental Quality Act (CEQA) pursuant to the California Code of Regulations, Title 14, Sections 15301 and 15302, repair, maintenance, or minor alterations of existing utility facilities, and replacement or reconstruction of existing utility systems or facilities.

## CAMPAIGN DISCLOSURE

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Not applicable.

## **ALTERNATIVES**

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Alternative 1: Authorize the City Manager, or his designee, to enter into a contract with Hot Line Construction, Inc., for the Feeder Reconstruction for 12kV Operation - Time and Equipment Project as described herein.

Alternative 2: Choose not to award the contract, as recommended herein, which will delay the City's efforts to upgrade and improve its electric distribution system.

Alternative 3: Consider any other alternative not proposed by staff.

## **ADMINISTRATIVE ACTION**

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**Prepared by:**

Daniel Scorza, P.E., Chief Assistant General Manager - Electric

**Approved by:**

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

## **EXHIBITS / ATTACHMENTS**

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None.