



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: AUGUST 26, 2019

ITEM NO:

SUBJECT: BID NO. RPU-7680 FOR 69KV MATERIALS YARD WITH WESTERN CONSTRUCTION SPECIALISTS, INC., IN THE AMOUNT OF \$484,612; AND CAPITAL EXPENDITURE FOR WORK ORDER NO. 2001119 IN THE AMOUNT OF \$585,000

ISSUES:

Award Bid No. RPU-7680 for 69kV Materials Yard to Western Construction Specialist, Inc., of Santa Fe Springs, California, in the amount of \$484,612 and approve Work Order No. 2001119 for the total capital expenditure of \$585,000 for the purpose of tracking work related to the 69kV Materials Yard previously authorized by the Board as part of RTRP Work Order 642975 within the amount of \$42,605,521.

RECOMMENDATIONS:

That the Board of Public Utilities:

1. Award Bid No. RPU-7680 for 69kV Materials Yard to Western Construction Specialist, Inc. of Santa Fe Springs, California, in the amount of \$484,612; and
2. Approve Work Order No. 2001119 for the total capital expenditure of \$585,000 for the purpose of tracking work related to the 69kV Materials Yard previously authorized by the Board as part of RTRP Work Order 642975 within the amount of \$42,605,521.

BACKGROUND:

The Riverside Transmission Reliability Project (RTRP) is a joint project with Southern California Edison (SCE) to provide Riverside a second connection to the state electric transmission grid to address the capacity and reliability needs of the City. In addition, the project includes improvements to RPU's transmission system within the City to increase capacity between key substations. This bid award relates to the City's internal transmission system upgrades, which is necessary regardless of the timing and outcome of the larger project for the second connection to the state electric transmission grid.

On January 20, 2006, the Board of Public Utilities (Board) approved the RTRP and Work Order No. 642975. On February 5, 2013, the City Council certified the Final Environmental Impact Report (FEIR) for the entire project. On October 17, 2014, the Board authorized total funds for the RTRP Work Order 642975 in the amount of \$42,605,521 which includes work to be completed by both SCE and the City of Riverside.

Currently, SCE has applied to the California Public Utilities Commission (CPUC) for their approval of a Certificate of Public Convenience and Necessity for their portion of the project that includes 10 miles of 230kV transmission lines and a new substation.

The remainder of the project includes a substation and 69kV transmission lines within the City of Riverside and is not subject to CPUC approval. A 69kV materials yard near the intersection of Van Buren Boulevard and Arlington Avenue is needed to support the construction of the 69kV sub-transmission lines between Riverside’s Energy Resource Center (RERC) and Riverside’s Harvey Lynn and Freeman Substations. Estimated costs associated with the 69kV materials yard were included in the total project cost estimate of \$42,605,521 previously approved by Board.



69kV Materials Yard to support construction of 69kV sub-transmission lines between RERC to Harvey Lynn & RERC to Freeman 69kV lines

This phase (69kV Materials Yard) of the project includes the construction of a materials yard and handling of materials until the 69kV line construction contractor takes possession and begins the 69kV line work. The Materials Yard will be constructed and prepared at 8200 Arlington Avenue, Riverside, (a Collins (previously UTC) property currently leased by the City). The project will include building pole cribbing, installing temporary power, lighting, automatic gate, receiving major and minor materials, and controlling inventory. City will provide a Storm Water Pollution Prevention Plan and Best Management Practices as necessary per the current lease agreement with property owner Collins Aerospace (Previously UTC/Rohr). Security services for the material yard will be handled under different Request for Proposals - contracted services.

DISCUSSION:

Bid No. RPU-7680 for the 69kV Materials Yard was posted on the City’s Online Bid System on June 5, 2019 with a closing date of July 5, 2019. As of July 1, 2019, no bids had been submitted and due to the upcoming holiday, staff determined the need to extend the bid due date through July 11, 2019. By the new extended bid due date, only one (1) vendor submitted a bid for the project. The response to the bid was anticipated due to the need for a single contractor to prepare the Materials Yard, as well as receive and handle the material temporarily.

Staff evaluated the bid response and deemed Western Construction Specialist, Inc. to be the lowest responsive and responsible bidder. The bid was higher than the engineer’s estimated amount of \$400,000; however, it was found to meet bid requirements, considering the project timeline and assurance of timely material delivery. It is to be noted that the Material Yard work is on a critical path for the 69kV line work of the RTRP portion of the project, which is needed to improve the reliability of the Riverside Public Utilities’ sub-transmission system within the City limits, and is a critical step that will allow the subsequent 69kV line related work to begin timely.

The result of the single bid received after extending the bid due date is summarized in the table below:

Vendors	City Location	Bid Amount	Rank
Western Construction Specialist, Inc.	Santa Fe Springs, CA	\$484,612.06	1
➤ <i>Engineer's Estimate</i>		\$400,000	

The breakdown for the total capital expenditure is as follows:

Project and Fiscal Breakdown		
Work Type	Performed By:	Amount (\$)
Engineering	Power Engineers, Inc.	\$39,206
Project Management	RPU Energy Delivery Engineering	\$5,721
	Power Engineers, Inc.	\$2,000
Construction & Material receiving	Western Construction Specialist, Inc.	\$484,612
Materials		\$5,000
Contract Contingency- 10% of Construction Contract		\$48,461
Work Order Total:		\$585,000
Anticipated Start Date:		September 2019
Anticipated Duration:		10 Months <i>(1 month - for material yard preparation; and 8-9 months for material handling)</i>

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total fiscal impact of the proposed 69kV Materials Yard is \$585,000. Sufficient funds are available in Public Utilities Electrical Capital Account No. 6130000-470685 (RTRP non-reimbursable).

The proposed project is only one component of the much larger RTRP project and will not garner additional costs above the total funds authorized by the Board for RTRP Work Order 642975 on October 17, 2014 in the amount of \$42,605,521.

Prepared by: George R. Hanson, Utilities Assistant General Manager/Energy Delivery
 Approved by: Todd M. Corbin, Utilities General Manager
 Approved by: Al Zelinka, FAICP, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Brian Seinturier, Utilities Fiscal Manager

- Attachments:
1. Award Recommendation
 2. Presentation