

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MAY 10, 2021

SUBJECT: BID NO. RPU-7818 FOR PURCHASE OF TUBULAR STEEL STRUCTURES FOR THE 69KV RERC TO FREEMAN SUBTRANSMISSION LINE OF THE RIVERSIDE TRANSMISSION RELIABILITY PROJECT (RTRP) WITH WIRELESS STRUCTURES CONSULTING, INC. IN THE AMOUNT OF \$666,680 PLUS A 20% CONTRACT CONTINGENCY IN THE AMOUNT OF \$133,336 FOR A TOTAL CONTRACT COST NOT TO EXCEED \$800,016; AND APPROVAL OF WORK ORDER NO. 2117630 FOR A TOTAL CAPITAL EXPENDITURE OF \$995,016

ISSUES:

Consider the award of Bid No. RPU-7818 for the purchase of tubular steel structures for the 69kV RERC to Freeman line portion of Riverside Transmission Reliability Project to Wireless Structures Consulting, Inc., of Salem, Oregon, in the amount of \$666,680; approve contract contingency of 20% in the amount of \$133,336 for a total contract cost not to exceed \$800,016; and approve Work Order No. 2117630 for the total capital expenditure of \$995,016 for the purpose of tracking costs of steel pole structures for 69kV RERC-Freeman line as part of RTRP Work Order No. 642975

RECOMMENDATIONS:

That the Board of Public Utilities:

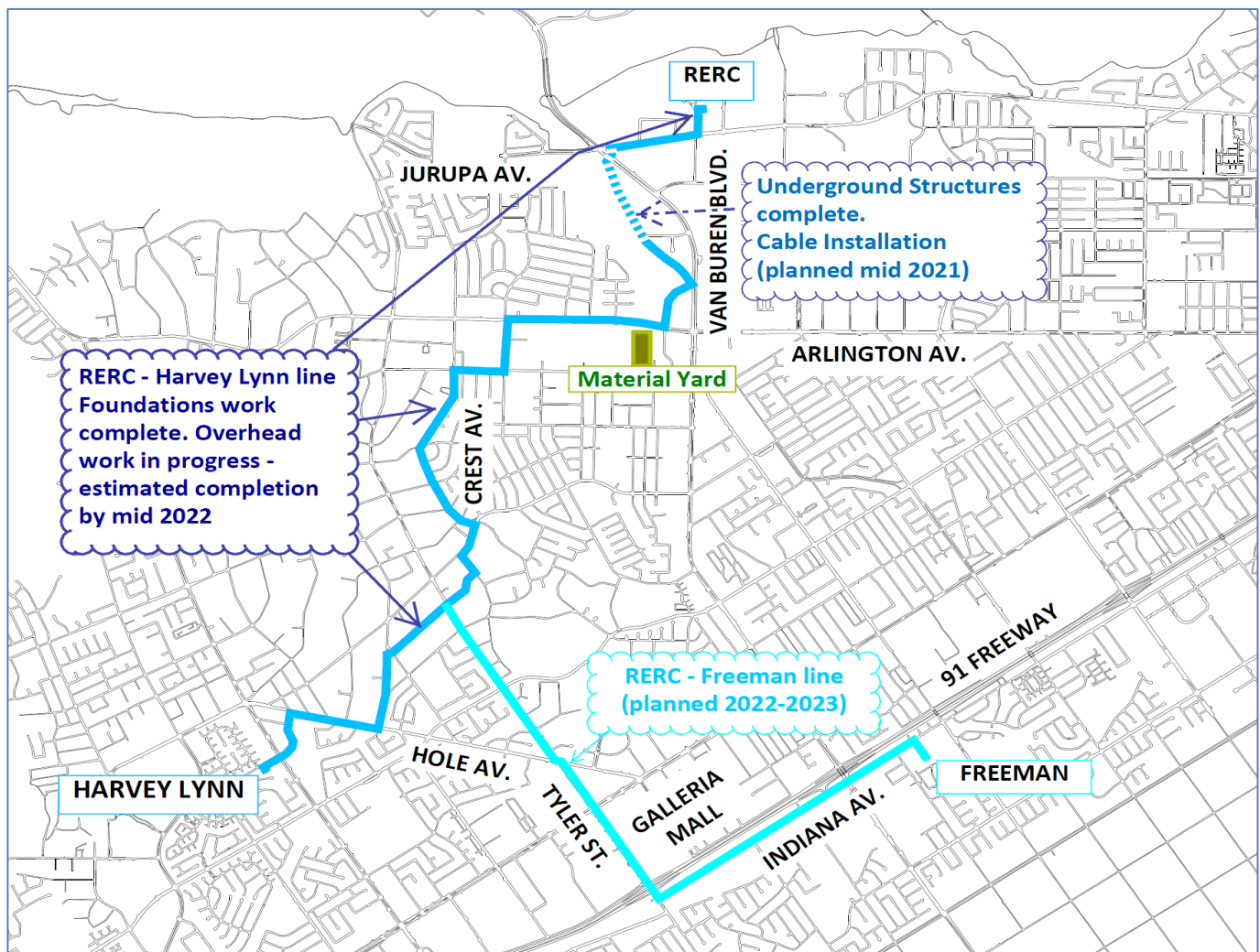
1. Deem the bid from TransAmerican Power Poles for RPU-7818 to be a non-responsive bid;
2. Award Bid No. RPU-7818 for the purchase of tubular steel structures as part of the Riverside Transmission Reliability Project (RTRP) for 69kV RERC to Freeman line to Wireless Structures Consulting, Inc., of Salem, Oregon, in the amount of \$666,680;
3. Authorize staff to issue change orders in an amount up to 20% of the original contract amount, or \$133,336, for a total contract cost not to exceed \$800,016; and
4. Approve Work Order No. 2117630 for the total capital expenditure of \$995,016 for the purpose of tracking costs of tubular steel structures for 69kV RERC-Freeman line as part of RTRP Work Order No. 642975.

BACKGROUND:

Riverside Transmission Reliability Project (RTRP) is a joint project with Southern California Edison (SCE) and will provide Riverside Public Utilities (RPU) with a critical second connection to the state electric transmission grid by connecting to the existing 230kV SCE Mira Loma – Vista line, to address long-term capacity and reliability needs of the City's electric utility system. The total approved funding for the RTRP Work Order No. 642975 is currently \$216,515,521.

The RTRP Project includes construction of approximately nine miles of double circuit 230kV transmission lines, installation of approximately 10 miles of 69kV sub-transmission lines within the City of Riverside, construction of two new substations – Wildlife (SCE) and Wilderness (RPU), improvements to five existing RPU 69kV substations, system improvements for reconfiguration of existing sub-transmission and distribution lines, and installation of new telecommunication lines.

The construction of the RTRP 69kV sub-transmission lines from RERC to Harvey Lynn substation is in progress and the construction of the RERC (Mull Ave & Tyler St tap-off) to Freeman line is scheduled to start mid calendar year 2022.



69kV sub-transmission lines: RERC to Harvey Lynn and RERC to Freeman substation

The construction of the RERC (Mull Ave & Tyler St) to Freeman line requires the procurement of 17 engineered tubular steel poles due to conductor and equipment loading on the poles, and to improve durability and reliability of the sub-transmission system. The steel poles and associated components will need to be manufactured as per RPU's engineering specifications, drawings, and schedule.



Tubular Steel Pole Structure

DISCUSSION:

Bid No. RPU-7818 for the purchase of steel pole structures for the RERC to Freeman line was posted on the City's Online Bid System on February 4, 2021 and closed on March 10, 2021. Five vendors submitted bids for the project. Staff evaluated the bids and deemed Wireless Structures Consulting, Inc. of Salem, Oregon, to be the lowest responsive and responsible bidder.

TransAmerican Power Poles was deemed non-responsive for not meeting the following bid requirements:

- Failure to submit bid bond as specified on section 2-1.5.1 of Bid Specification
- Failure to acknowledge the non-collusion declaration as specified on section 2-1.6 of Bid Specification
- Failure to submit their qualifications and experience referral forms as specified on section 2-1.7 of Bid Specification

- Failure to agree to hold bid price for 180 days as specified on section 2-1.10 and Bid Proposal Form of Bid Specification

The bid from Wireless Structures Consulting, Inc. was within the engineer's estimated amount of \$750,000. The bids are summarized in the table below:

Vendors	City Location	Bid Amount	Rank
Wireless Structures Consulting,	Salem, OR	\$666,679.93	1
*Valmont Industries	Valley, NE	\$695,408.40	2
*Sabre Industries	Alvarado, TX	\$733,365.41	3
*McAvoy & Markham Engineer	Irvine, CA	\$860,427.83	4
*TransAmerican Power Poles	Houston, TX	\$607,119.71	Non-Responsive

* Bid amount submitted on City's Online Bid System did not include sales tax of 8.75%. Bid amount listed above includes sales tax.

The project/fiscal breakdown is as follows:

Project and Fiscal Breakdown		
Work Type	Performed By:	Amount (\$)
Engineering	Power Engineers, Inc.	\$70,000
Project Management	RPU Energy Delivery Engineering & Project Communications	\$100,000
	Power Engineers, Inc.	\$5,000
Tubular Steel Poles Fabrication contract	Wireless Structures Consulting, Inc.	\$666,680
Contract Contingency - 20%		\$133,336
Miscellaneous Materials		\$20,000
Work Order Total:		\$995,016
Anticipated Start Date:		August 2021
Anticipated Duration:		300 days

A 20% contract contingency (which is the requested 20% change order authority) is requested to cover project design coordination matters and storage of steel poles at vendor site for up to a calendar year.

RPU is choosing to make steel purchases at this time because the global increased demand in steel has led to higher prices and longer lead times, which is currently 25 weeks. Securing the steel poles now will keep RPU on track with the schedule in completing this portion of RTRP work.

Additionally, storage of steel poles at vendor site is required at this time as RPU negotiates lease extension of current RTRP material staging yard, which is due in April 2022. This would give RPU the flexibility in negotiating an extension or look for an alternate staging yard should the owners of the current staging yard choose not to extend the lease with RPU.

The Purchasing Manager concurs that the recommended actions comply with Purchasing Resolution No. 23256.

FISCAL IMPACT:

The total fiscal impact is \$995,016. Sufficient funds are available in Public Utilities Electrical Capital Account No. 6130000-470685 (RTRP non-reimbursable) for RTRP.

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: Kristi J. Smith, Interim City Attorney

Certifies availability
of funds: Edward Enriquez, Chief Financial Officer/City Treasurer

Attachments:

1. Project Site Map
2. Award Recommendation (Bid No. RPU – 7818)
3. Presentation