



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: NOVEMBER 18, 2024

SUBJECT: BID NO. 8117 FOR CONSTRUCTION OF RIVERSIDE ENERGY RESOURCE CENTER TO FREEMAN SUB-TRANSMISSION LINE WITH ASPLUNDH CONSTRUCTION, LLC IN THE AMOUNT OF \$6,452,235 WITH A 20% CONTINGENCY IN THE AMOUNT OF \$1,290,447; AND WORK ORDER NO. 2117652 FOR A TOTAL CAPITAL EXPENDITURE OF \$8,343,000

ISSUE:

Consider awarding Bid No. 8117 for construction of the 69kV Riverside Energy Resource Center to Freeman sub-transmission line to Asplundh Construction, LLC of Anaheim, California, in the amount of \$6,452,235, with a 20% contingency in the amount of \$1,290,447; and approve Work Order No. 2117652 for the total capital expenditure of \$8,343,000.

RECOMMENDATIONS:

That the Board of Public Utilities:

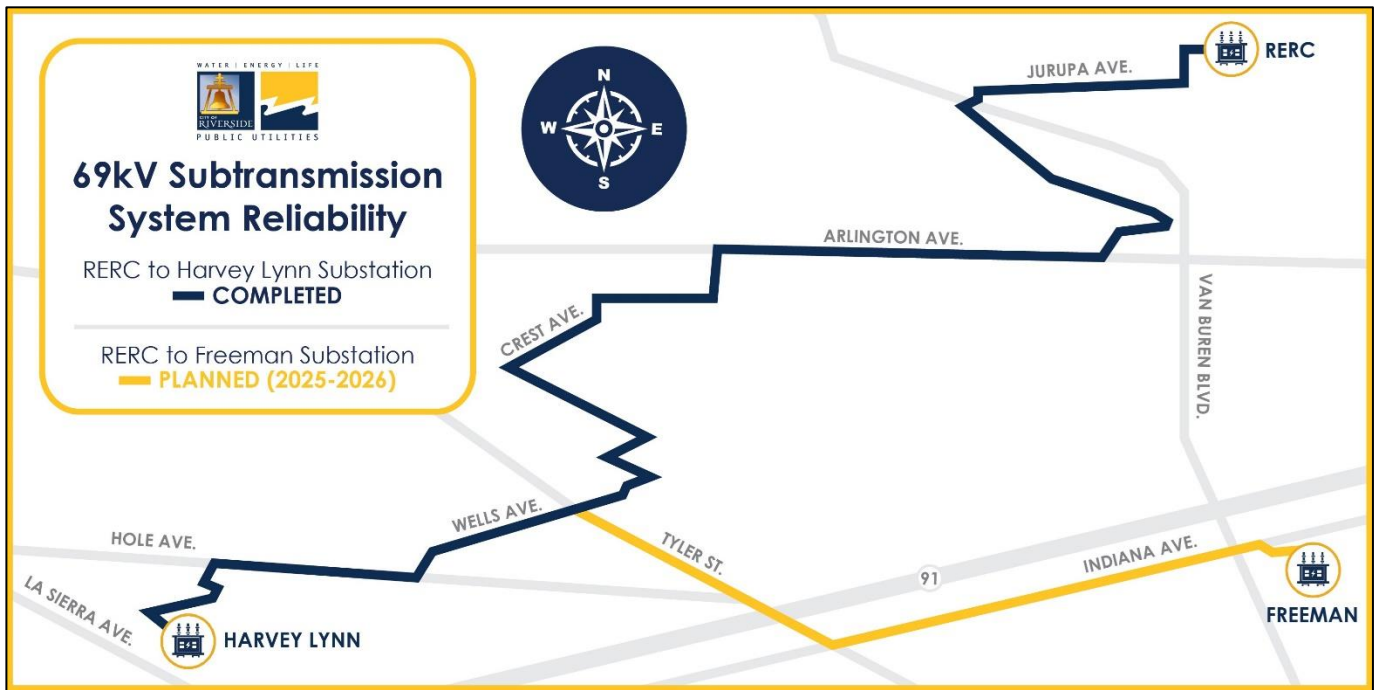
1. Award Bid No. 8117 for construction of 69kV Riverside Energy Resource Center to Freeman sub-transmission line to Asplundh Construction, LLC of Anaheim, California, in the amount of \$6,452,235;
2. Authorize a 20% contingency in the amount of \$1,290,447; and
3. Approve Work Order No. 2117652 for the total capital expenditure of \$8,343,000 for the purpose of tracking work related to the construction of the 69kV Riverside Energy Resource Center to Freeman line as part of the Riverside Transmission Reliability Project Work Order No. 642975; and
4. Authorize the City Manager, or designee, to execute any documents necessary to effectuate the procurement described herein, as well as the ability to make minor non-substantive changes in alignment with all purchasing policies.

BACKGROUND:

Significant improvements to Riverside Public Utilities (RPU) distribution and sub-transmission system in the western portion of utilities' service territory were included and approved as part of the Riverside Transmission Reliability Project. These system upgrades are necessary to improve the reliability of the City's internal transmission system and expand the sub-transmission capacity

of the Riverside Energy Resource Center (RERC) generation units, as well as to accommodate future power delivery resulting from the second point of interconnection. The RPU system improvements, being completed in phases, include the installation of approximately 10 miles of 69kV sub-transmission lines within the City of Riverside, construction of the new Wilderness substation, improvements to five (5) existing RPU 69kV substations, reconfiguration of existing distribution lines and installation of new telecommunication lines. The bid award in this report relates to the Phase 2 internal 69kV sub-transmission system upgrades only.

Phase 1 of the RPU system improvements, approved by the RPU Board of Public Utilities (Board) on October 26, 2020, was completed in December 2022. The work included the construction of the 69kV sub-transmission line work from RERC to Harvey Lynn substation. The completion of the RERC to Harvey Lynn line was necessary before beginning construction on Phase 2 of the project, the RERC to Freeman line work. Part of the RERC to Harvey Lynn project scope included a double circuit sub-transmission line from RERC to the corner of Tyler Street and Mull Avenue, from which the double circuit line splits into two separate single circuit – one to Harvey Lynn substation and the other for the Phase 2 improvements to extend to Freeman substation.



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

The Phase 2 scope of work for this bid award includes the construction of 3.4 line-miles of 69 kV overhead facilities between the corner of Tyler Street and Mull Avenue and the Freeman substation within the City. The project will include installing wood and steel poles, stringing overhead conductors, transferring third party attachments, and removing abandoned lines and equipment. The Contractor will be responsible for providing equipment, labor, services and miscellaneous materials to complete the installation.

The project is part of the City's costs as defined by the approved Reliability Charge. The Reliability Charge was approved by City Council on December 4, 2007, and was effective January 1, 2008. It is a monthly charge billed to all RPU customers according to their electric rate schedule and recovers the actual costs to improve the reliability of RPU's internal transmission system and provide internal generation of power and energy to service Riverside's Customers.



69kV overhead sub-transmission line work

Intermittent electric service disruptions will be coordinated during construction and advanced outage notifications will be issued to minimize the impact to customers. Staff continues to coordinate with the Department of Marketing and Communications to update the Project informational website and develop informational postcards to be mailed to customers within the vicinity of the project. Staff will continue to promptly address any issues that arise during construction.

DISCUSSION:

On May 28, 2024, Bid No. 8087 for the construction of the 69kV RERC to Freeman sub-transmission line was posted on the City’s Online Bid System with a due date of June 27, 2024. All bids were rejected due to a procurement minor procedure defect. Staff also determined the need to revise the project schedule due to collaboration work with other departments and external agencies. Consequently, a new bid was posted for the same work but with a different bid number (8117).

On September 12, 2024, Bid No. 8117 for the construction of the 69kV RERC to Freeman line was posted on the City’s Online Bid System. The bid’s notification summary and bid actions are detailed in the following table:

| Action | Number of Vendors |
|--|-------------------|
| External Vendors Notified | 500 |
| City of Riverside Vendors Notified | 642 |
| Prospective Bidders who downloaded the RFP | 40 |
| Questions & Answers Released | 7 |
| Addenda Released | 1 |

Bid No. 8117 closed on September 30, 2024, receiving eight (8) submitted bids from bidders for the Project. The Purchasing division evaluated all bids and deemed Asplundh Construction, LLC to be the lowest responsive and responsible bidder. The bid from Asplundh Construction, LLC was under the engineer’s estimated amount of \$10,000,000. The bid results for Bid No. 8117 are summarized in the table below:

| Vendors | City Location | Bid Amount | Rank |
|--|----------------------|-----------------------|-------------|
| Asplundh Construction, LLC | Anaheim, CA | \$6,452,234.31 | 1 |
| PAR Western Line Contractors | Rancho Cucamonga, CA | \$6,599,780.00 | 2 |
| Wilson Construction Co | Canby, OR | \$6,799,811.50 | 3 |
| Outsource Utility Contractor Corporation | Artesia, CA | \$7,841,386.88 | 4 |
| Ferreira Power West | Irvine, CA | \$9,373,677.71 | 5 |
| Edison Power Constructors, Inc. | Mesa, AZ | \$9,560,109.00 | 6 |
| Hampton Tedder Electric Company | Montclair, CA | \$10,419,894.00 | 7 |
| Henkels & McCoy West, LLC | Pomona, CA | \$11,783,032.42 | 8 |

➤ *Engineer’s Estimate*

\$10,000,000

RPU engineering staff ensured the design from its consultant eliminated any negative visual impacts to the project and surrounding area, with sensitivity to the existing neighborhood, and within City Planning guidelines for the designated area of the project.

The project/fiscal breakdown is as follows:

| Project and Fiscal Breakdown | | |
|--|---------------------------------|---------------------|
| Work Type | Performed By: | Amount |
| Engineering | Power Engineers, Inc. | \$50,000 |
| Project Management | RPU Energy Delivery Engineering | \$250,318 |
| Construction contract | Asplundh Construction, LLC | \$6,452,235 |
| Contingency - 20% of Construction Contract | | \$1,290,447 |
| Miscellaneous Materials | | \$300,000 |
| Work Order Total: | | \$8,343,000 |
| Anticipated Start Date: | | January 2025 |
| Anticipated Duration: | | 20 Months |

A 20% contingency is requested to cover revision to project plans, additional work resulting from schedule coordination matters with other departments and agencies, coordination with development projects along project route, and other project needs per project engineer’s directive in order to ensure timely project construction schedules are met.

Purchasing Resolution 24101, Section 508 Awards states, “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder.”

The Purchasing Manager concurs that the recommended actions are in compliance with

Purchasing Resolution No. 24101, Section 508.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 6 - Infrastructure, Mobility and Connectivity** and **Goal 6.2** – Maintain, protect, and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – This project provides necessary upgrades to the RPU distribution and sub-transmission system with will improve electric system reliability in the areas it serves by expanding the electric system capacity and connectivity. Robust community outreach and ongoing communication with the community involved ensure that community members are kept apprised of the status of the project and any impacts they may experience during construction.
2. **Equity** – RPU endeavors to provide safe and reliable electric service to all its customers. Since RPU’s electric system is an interconnected network, investments made to individual parts of the system improve the reliability of the overall system, thereby providing an equitable benefit to all customers.
3. **Fiscal Responsibility** – Effective bid strategies were used to ensure RPU received competitive pricing within specified timeline for the construction of RERC to Freeman sub-transmission line and other related services.
4. **Innovation** – A collaborative and innovative approach will be used to maintain and manage facilities in such a way to minimize potential disruptions to RPU resources in order to maintain customer satisfaction.
5. **Sustainability & Resiliency** – RPU is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City’s capacity to persevere, adapt and grow during good and difficult times alike. The project improves the resiliency of RPU’s electric system, making it more robust by providing increased reliability and system capacity.

FISCAL IMPACT:

The total fiscal impact is \$8,343,000. Sufficient funds are available in Public Utilities Electrical Capital Account No. 6130000-470685 (RTRP non-reimbursable) for RTRP Work Order No. 642975.

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|---|--|
| Prepared by: | Daniel Honeyfield, Utilities Assistant General Manager/Energy Delivery |
| Approved by: | David A. Garcia, Utilities General Manager |
| Certified as to availability of funds: | Kristie Thomas, Finance Director/Assistant Chief Financial Officer |
| Approved by: | Rafael Guzman, Assistant City Manager |
| Approved as to form: | Jack Liu, Interim City Attorney |

Attachments:

1. Project Site Map
2. Award Recommendation (Bid No. 8117)
3. Presentation