

Meeting Date: 11/15/11

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 6D



Date: November 7, 2011

To: City Manager for Council Action

From: John C. Roukema, Director of Electric Utility

Subject: Delegation of Authority to City Manager to Approve Bid Documents, Solicit Bids, Award Public Works Contracts, Approve Change Orders up to 15% of Original Contract Price, and Award Procurement and Material Purchase Agreements associated with Mission Substation Construction

EXECUTIVE SUMMARY:

The City of Santa Clara's Electric Department, Silicon Valley Power (SVP), is undertaking a significant capital construction program for the construction and upgrading of electric transmission, substation and distribution facilities over the next three to five years. This work is necessary to meet customer demands for increased electric load while maintaining SVP's high service reliability to the utility's customers. These major construction initiatives will require public bidding of construction work and major material/equipment purchases.

SVP is relocating electric facilities in proximity to the new Football Stadium site including electric substructures, distribution lines, fiber optic lines, transmission lines, and the removal of Tasman Substation. In order to remove Tasman Substation, SVP must first complete the construction of Mission Substation which involves substation site preparation, installing an underground 60kV transmission line, the installation of three 50 MVA transformers, associated 60kV breakers, 12kV switchgear, and associated 60kv and 12kv bus work.

In order to maintain project schedules, it will be necessary to develop bid documents, award contracts and initiate construction work in an expeditious manner. Staff requests that the Council delegate authority to the City Manager to approve bid documents, solicit bids, award public works contracts, approve contract change orders up to 15% of the original contract price, and award procurement and material purchase agreements associated with Mission Substation construction. This work may include:

Public Works Contracts

- Mission Substation 60kV Underground Transmission Line Construction (CIP 2114)
- Relocation and Installation of Underground Substructures and Electric and Fiber Optic Cable (CIP 2005)

Service Agreements and Calls in the following areas:

- Mission Substation and Transmission Design and Engineering (CIP 2114 and CIP 2401)
- Protection Engineering and Studies (CIP 2114 and CIP 2401)
- Engineering and Project Management Support (CIP 2114 and CIP 2401)
- Inspection and Testing Services (CIP 2114 and CIP 2401)

Material/Equipment Procurement Agreements

- Transmission Steel Poles (CIP 2401 and CIP 2005)
- Mission Substation 12kV Switchgear (CIP 2114 and CIP 2401)
- 60kV Underground Transmission Cable and Terminations (CIP 2114)

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Established City Policies and Procedures will be followed for the bidding and contracting of the public work projects and the procurement activities. Delegation of authority to the City Manager will expedite the overall processes for the completion of these activities. There are no identified disadvantages with this issue.

ECONOMIC/FISCAL IMPACT:

Each contract, service agreement and procurement agreement will have its cost identified and evaluated at the time of bid award. Costs will be charged to the appropriate Capital Improvement Project (CIP). All work is included in the approved Capital Budget under each identified CIP.

RECOMMENDATION:

That Council delegate authority to the City Manager to approve bid documents, solicit bids, award Public Works contracts, approve change orders up to 15% of Original Contract Price, and award Procurement Agreements for Public Works Contracts and Material Purchase Agreements associated with Mission Substation Construction.



John C. Roukema
Director of Electric Utility

APPROVED:



Jennifer Sparacino
City Manager

Documents Related to this Report: None