



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Melissa Walker, Public Works Director/City Engineer

**AGENDA DATE:** November 19, 2024

**TITLE:** MORENO BEACH DRIVE LINE EXTENSION (REPORT OF: PUBLIC WORKS)

**TITLE SUMMARY:** Authorization of the Award of the Construction Contract to Global Diversified Voltage for Moreno Beach Drive Line Extension from Cactus Avenue to John F. Kennedy Drive, Project Number 805 0064

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### **Recommendation(s)**

That the City Council:

1. Authorize the award of the construction contract to Global Diversified Voltage for the Moreno Beach Drive Line Extension Project 805 0064.
2. Authorize the City Manager to execute a contract with Global Diversified Voltage for the amount of \$1,388,675, funded by MVU restricted funds balance (Fund 6011).
3. Authorize the issuance of a Purchase Order to Global Diversified Voltage for the amount of \$1,388,675 when the contract has been signed by all parties: and
4. Authorize the City Manager to execute any subsequent Amendments to the Agreement with Global Diversified Voltage within the City Council approved annual budgeted amounts, including the authority to authorize the associated purchase orders in accordance with the terms of the agreement, subject to the approval of the City Attorney; and
5. Authorize a budget adjustment as set forth in the fiscal impact section.

### **SUMMARY**

This report recommends approval of a contract with Global Diversified Voltage to construct the Moreno Beach Drive Line Extension. The Moreno Beach Drive Line Extension Project will enhance system resiliency. The project is funded with MVU's restricted fund balance and has been approved in the Fiscal Year 2023/2024 and 2024/2025 Adopted Capital Improvement Plan.

## **DISCUSSION**

As MVU continues to grow and expand its service, several capital improvement projects are necessary to accommodate increasing demands for electricity and increase reliability. The Moreno Beach Drive Line Extension Project will allow MVU to increase system reliability.

The electrical plans call for the installation of conduit, structures, equipment, and cable along with related electrical facilities within Moreno Beach Drive from Cactus Avenue south to John F. Kennedy Drive.

The Notice Inviting Bids for the project was advertised in OpenGov. Six bids were received as follows:

<u>Contractors</u>	<u>Verified Bid Amounts</u>
1. Herman Weissker, Inc.	\$ 925,605.53 (Non-Responsive)
2. Global Diversified Voltage	\$1,388,675.00
3. Pacific Utility Installation, Inc	\$1,391,072.62
4. Asplundh Construction, LLC	\$1,401,787.50
5. Doty Bros Equipment	\$1,428,395.40
6. E. E. Electric, Inc.	\$1,675,092.66

Herman Weissker, Inc., although the lowest bidder, was deemed non-responsive due to an error made by their subcontractor in the pricing. This mistake would have significantly increased their bid. Herman Weissker, Inc. is unable to honor the original pricing and withdrew their bid. As a result, Global Diversified Voltage is the lowest responsible bidder.

An additional \$571,410 in funding is being requested for this project to account for the cost increase plus contingency from the initial estimate, which is primarily due to a change in scope during the engineering process. This includes adding additional vaults, and a pad-mounted switch to improve the overall proposed system and provide a higher reliability for current and future customers that will be served from of the project.

## **ALTERNATIVES**

1. Approve and authorize the recommended action as presented in this staff report. *This alternative will provide for the ultimate, timely construction of the Moreno Beach Drive Line Extension Project.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This Alternative will result in delaying the timely construction of this project and will prevent Moreno Valley Utility from improving system reliability.*

## **FISCAL IMPACT**

This project is included in the Fiscal Year 2023/2024 & 2024/2025 Adopted Capital Improvement Plan Budget. Increasing the project budget allocation will cover the necessary additional services. It will be financed by use of Moreno Valley Utility's Restricted Assets (6011) fund balance. There is no impact to the General Fund.

Description	GL Account No.	Type (Rev/Exp)	FY 24/25 Budget	Proposed Adjustment	FY 24/25 Amended Budget
6011-MVU Restricted	GL-6011-70-80-80005-720199 PN-805 0064 6011 99	Exp	\$1,137,107	\$571,410	\$1,708,517

## **NOTIFICATION**

Posting of the agenda

## **PREPARATION OF STAFF REPORT**

Prepared By:  
Kamran Aladross, P.E.  
Electric Utility Assistant Manager

Department Head Approval:  
Melissa Walker, P.E.  
Public Works Director/City Engineer

Concurred By:  
Jason Niccoli, P.E.  
Electric Utility Division Manager

## **CITY COUNCIL GOALS**

Public Facilities and Capital Projects: Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

## **CITY COUNCIL STRATEGIC PRIORITIES**

Objective 1.1: Proactively attract high-quality businesses.

## Report Approval Details

Document Title:	STAFFREPORT_24-0610_PW_MVU_MBD_LOOP.docx
Attachments:	- Location Map - Project No 805 0064.pdf - Agreement - 805 0064.pdf
Final Approval Date:	Nov 12, 2024

This report and all of its attachments were approved and signed as outlined below:

Melissa Walker

Sean Kelleher

Natalia Lopez

Launa Jimenez

Brian Mohan

Mike Lee

Patty Rodriguez