



## Agenda Report

20-647

Agenda Date: 1/14/2020

### REPORT TO COUNCIL

#### SUBJECT

Action on the Award of the Public Works Contract for the Serra Substation Construction Project  
[Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

#### BACKGROUND

On October 23, 2019, the City opened bids for the Serra Substation Construction Project (Contract No. 2104A). The existing Serra Substation has obsolete equipment and is nearing the end of its useful service life. The scope of the project is to rebuild Serra Substation at the existing site to continue to provide service to customers, to meet future load growth and improve service reliability. Work includes replacing existing single 16 MVA transformer bank and switchgear with two 20 MVA transformer bank design, new switchgear and control room that meets SVP's current standards. The Public Works Contract consists of all required work to demolish the existing substation and construct the new substation at the existing location at 5301 Stevens Creek Blvd, Santa Clara, California.

#### DISCUSSION

Three bids were received for the Serra Substation Construction Project. The Engineer's Estimate and the evaluated bid are as follows:

|                               |              |
|-------------------------------|--------------|
| <b>Engineer's Estimate</b>    | \$ 5,025,000 |
| Newtron, LLC                  | \$ 4,987,510 |
| Strong Hold Construction Inc. | \$ 5,487,000 |
| Cupertino Electric, Inc.      | \$15,052,830 |

Newtron, LLC's bid is \$37,490 under the Engineer's Estimate. The Engineer's Estimate was prepared by the City's engineering consultant, MTH Engineers, Inc. The Project is currently scheduled for completion in first Quarter of 2021. The bid was reviewed for compliance with terms and conditions of the Contract Documents. Newtron, LLC is a qualified contractor who has successfully performed similar work for the City in the past, therefore staff recommends awarding the contract to Newtron, LLC.

#### ENVIRONMENTAL REVIEW

The scope of this project was identified and included in the Final Environmental Impact Report for 2010-2035 General Plan which was approved and certified by City Council on November 16, 2010.

#### FISCAL IMPACT

The cost of the contract is \$4,987,510, plus a 10% contingency in the amount of \$498,751, for a not-to-exceed amount of \$5,486,261. There are sufficient funds budgeted for the Serra Substation Construction Project within the Serra Substation Re-Build project, in the Electric Utility Capital Fund

approved as part of the FY 2019/20 Adopted Budget.

**COORDINATION**

This report has been coordinated with the Finance Department and City Attorney's Office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

**RECOMMENDATION**

1. Award the Public Works Contract for the Serra Substation Construction Project (Contract No. 2104A) to the lowest responsive and responsible bidder, Newtron, LLC, in the amount of \$4,987,510 and authorize the City Manager to execute any and all documents necessary for the award, completion and acceptance of the Project; and
2. Authorize the City Manager to execute change orders up to 10% of the original contract amount, or \$498,751, for a total not-to-exceed amount of \$5,486,261 for Contract No. 2104A.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer

Approved by: Deanna J. Santana, City Manager