

# Agenda Report

Date: November 13, 2006

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH VEOLIA ES INDUSTRIAL SERVICES FOR CHEMICAL CLEANING AND REMOVAL OF CHEMICAL CLEANING WASTES FOR THE BROADWAY POWER PLANT UNIT B-3 BOILER

## **RECOMMENDATION**

It is recommended that the City Council authorize the City Manager to enter into a contract with Veolia ES Industrial Services for providing chemicals, equipment, personnel, and testing for chemical cleaning and removal of chemical cleaning waste for the Broadway Power Plant Unit B-3 Boiler for an amount not-to-exceed \$142,696. The proposed contract is exempt from competitive bidding pursuant to City Charter Section 1002 (f), contracts for professional or unique services.

## **BACKGROUND**

Pasadena Water & Power Department has an ongoing program to perform condition assessment on B-3 boiler, which is an integral part of the Broadway Power Generating Unit B-3, to evaluate the condition of its high pressure and high temperature components. The program helps reduce the risk of boiler components failure and ensures that the unit is operated safely and reliably. The consultant that performed the last condition assessment of Unit B-3 boiler discovered a significant amount of sludge and scale deposits in the boiler tubes and recommended cleaning the boiler chemically at the earliest opportunity. The sludge and scale deposits, if not removed, will result in boiler tube ruptures and will cause forced shutdown of the unit. Staff believes that it is prudent to perform this chemical cleaning this winter to minimize the possibility of forced shutdown during the summer months and to ensure safe operation of the boiler. The work will also include proper and legal handling and disposal of hazardous wastes that will be generated after the cleaning.

A Request for Proposal (RFP) was issued on June 14, 2006 seeking the services of a contractor that would be responsible for providing chemicals, equipment, personnel, and testing for chemical cleaning and removal of chemical cleaning waste for the Broadway Powe Plant Unit B-3 boiler. The RFP was distributed to three prospective bidders and

all of them responded. The proposals received were independently evaluated by City staff based on the criteria stated in the RFP. The outcome of the evaluation is as follows:

BIDDERS	EVALUATED SCORE
Veolia ES Industrial Services	83
Rocky Mountain Industrial Services, Inc	71
Hydrochem Industrial Services, Inc.	66

(A summary table of the evaluation is attached to this report)

Veolia ES Industrial Services met the requirements of the RFP, received the highest evaluated score, and is therefore recommended for award of the proposed contract.

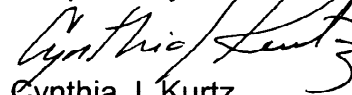
The proposed contract amount of not-to-exceed \$142,696 includes the cost of \$129,724 for the work to be performed by Veolia ES Industrial Services and a contingency amount of \$ 12,972. The approximately 10% contingency amount is to accommodate any extra work if needed.

The proposed contract complies with the Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code, Chapter 4.08 and the Living Wage Ordinance, Pasadena Municipal Code 4.11.

### **FISCAL IMPACT**

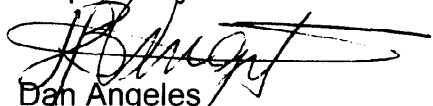
Sufficient funds is available from approved FY 2007 Capital Improvement Program, Budget No. 3148 for B-3 Renewals, Replacement, & Improvements.

Respectfully submitted,



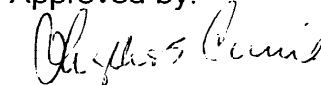
Cynthia J. Kurtz  
City Manager

Prepared by:



Dan Angeles  
Mechanical Engineer  
Water and Power Department

Approved by:



Phyllis E. Currie  
General Manager  
Water and Power Department

**REQUEST FOR PROPOSAL  
 UNIT B-3 BOILER CHEMICAL CLEANING AND DISPOSAL OF CHEMICAL CLEANING WASTES**

**PROPOSALS EVALUATION SUMMARY**

EVALUATION CRITERIA	MAX. POINTS	BIDDERS		
		Hydrochem Industrial Services, Inc.	Veolia ES Industrial Services	Rocky Mountain Industrial Services Inc.
Experience and Qualifications	30	26	25	22
Proposed Method or Procedures of Boiler Chemical Cleaning	20	10	18	17
Price	40	30	40	32
Local Pasadena business preference	5	0	0	0
Small or micro business	5	0	0	0
<b>TOTAL POINTS</b>	<b>100</b>	<b>66</b>	<b>83</b>	<b>71</b>

Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Amendment of 2000  
Pasadena City Charter, Article XVII

Contractor hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor, as follows:  
(If printing, please print legibly. Use additional sheets as necessary.)

**1. Contractor Name:**

Veolia ES Industrial Service

**2. Name(s) of trustees, directors, partners, officers of Contractor:**

F. Michael Rose	President
Gary Noto	COO
Randall Lawson	CFO

**3. Names of those with more than a 10% equity, participation or revenue interest in Contractor:**

NONE

Prepared by: Nick Botch Jr.

Title: Technical Sales

Date: 14 Aug 2006

For office use only

Contract No. \_\_\_\_\_