

Agenda Report

May 17, 2010

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PURETEC INDUSTRIAL WATER, INC. TO PROVIDE THE WATER CONDITIONING SYSTEM INSPECTION, MONITORING, AND MAINTENANCE SERVICES FOR THE GLENARM AND BROADWAY POWER PLANTS.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15301 (Existing Facilities);
2. Authorize the City Manager to enter into a contract with Puretec Industrial Water, Inc. to provide Water Conditioning System Inspection, Monitoring and Maintenance Services for the Glenarm and Broadway Power Plants for the amount not-to exceed \$182,000 over a three year period; and
3. Authorize the City Manager to extend the contract for one additional two-year period with price adjustment tied to the Consumer Price Index in the Los Angeles-Riverside-Orange County areas.

The proposed contract is exempt from competitive bidding pursuant to City Charter section 1002(f), contracts for professional or unique services.

BACKGROUND:

The proposed contract will provide regularly scheduled and documented service, inspection, monitoring and maintenance for the Water Conditioning System for Glenarm and Broadway Power Plants. The Water Conditioning System converts city water to high purity water needed for the Power Plants. The purified water is used for the steam unit, as well as

cooling system, air pollution reduction, and efficiency enhancement of the gas turbine units. The Water Conditioning System was placed into operation in 2003 and was serviced and monitored by the original equipment manufacturer. The system performance, however, has dropped significantly and the unit has been using more water than normal. This contract will improve the operation of the Water Conditioning System and reduce the amount of water required.

A Request for Proposal (RFP) to provide these services was issued on February 24, 2010. Two companies responded to the RFP. Pasadena Water and Power (PWP) staff independently evaluated the two proposals based on criteria stated in the RFP and the evaluation results are as follows:

| <u>BIDDERS</u> | <u>EVALUATED SCORES</u> |
|---|-------------------------|
| Puretec Industrial Water, Inc., Oxnard, CA | 81 |
| Siemens Water Technologies Corp., Los Angeles, CA | 77 |

Puretec Industrial Water, Inc. met all the requirements of the RFP, received the higher evaluated score, and is therefore recommended for award of the proposed contract.

The requested amount of \$182,000 includes the consultant bid of \$166,008 for a three year contract plus approximately 10% contingency for unforeseen services and parts replacements. PWP has an option to extend the contract for one additional two-year period with prices tied to increases in the Consumer Price Index in the Los Angeles – Riverside – Orange County areas. The extension option, if exercised by PWP, will require the approval of the City Manager.

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.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports the City Councils goal to effectively manage and improve infrastructure to deliver reliable water and power services.

ENVIRONMENTAL REVIEW:

The proposed contract to provide maintenance for an existing water conditioning system has been reviewed under the California Environmental Quality Act (CEQA). The project is exempt per Section 15301 (Existing Facilities). This section exempts the maintenance, operation, permitting, etc. of existing facilities involving negligible or no expansion of the use.

FISCAL IMPACT:

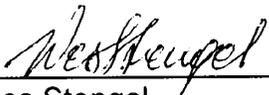
Sufficient funds are available from the Power Operating Budget Account Numbers 8114-401-841200-0548 (70%) and 8114-401-841200-0502 (30%).

Respectfully Submitted,



Phyllis E. Currie
General Manager
Water and Power

Prepared by:



Wes Stengel
Associate Engineer

Approved by:



Michael J. Beck
City Manager

Attachments:

Attachment A – Measure B (Oaks)

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

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:
Purtee Industrial Water

2. Type of Entity:
 non-government nonprofit 501(c)(3), (4), or (6)

3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

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|------------------------|
| <u>JIM HARRIS</u> |
| <u>PATRICIA HARRIS</u> |
| <u>JED HARRIS</u> |
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4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

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|-------------------|
| <u>JIM HARRIS</u> |
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Prepared by: MARY COATS
Title: FINANCE
Phone: 800-906-6060
Date: MARCH 9, 2010