



Agenda Report

August 8, 2016

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **CONTRACT AWARD TO SENSITIVE INDUSTRIAL SUPPLY, DBA
DESERT INDUSTRIAL SUPPLY, TO FURNISH PLUMBING SUPPLIES
FOR AN AMOUNT NOT-TO- EXCEED \$288,000**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b) (3); the General Rule that CEQA only applies to projects that may have an effect on the environment; and
2. Accept the bid dated March 1, 2016 submitted by Sensitive Industrial Supply dba Desert Industrial Supply (Desert Industrial) in response to specifications for plumbing supplies; and
3. Authorize the City Manager to enter into a contract with Desert Industrial to provide plumbing supplies for one year with two one-year renewal options, in an amount not to exceed \$288,000 for the maximum contract length of three years, subject to approval by the City Manager.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) purchases supplies for ongoing plumbing maintenance and repairs for various City facilities.

On January 28, 2016, a Notice Inviting Bids was published in the *Pasadena Journal* and posted on the City's website, which generated notices to 215 vendors. Out of the eight vendors that downloaded the bid documents, only one was local. The bids solicited

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were for pricing on typical plumbing supplies in estimated quantity requirements. Actual plumbing item types and quantities are to be determined by BSFMD, as needed.

Two vendors submitted bids on the opening bid date, March 1, 2016. One bid was deemed non-responsive due to incomplete pricing on items listed in the bid specification. Desert Industrial was the remaining qualified bidder and was found to have competitive pricing by staff. Consequently, Desert Industrial is the lowest responsive and responsible bidder.

Desert Industrial is located at 2268 East Foothill Boulevard, Pasadena, 91107 and has been doing business with the City since 1999 through annual purchase orders. It is recommended that Desert Industrial be awarded the contract.

The contract term is to be for one (1) year and may be extended for up to two (2) additional years for a maximum of three (3) years for the same price per unit and on the same terms and conditions.

Amount paid to Contractor in any one year term of the contract shall not exceed \$96,000. The grand total amount paid to Contractor in the approved three years of this contract shall not exceed \$288,000 without prior approval of City Council and written amendment of the contract.

The contract will be set out as follows:

	Year 1	Year 2	Year 3
Base Bid	\$80,000	Extension \$80,000	Extension \$80,000
Contingency Allowance	<u>\$16,000</u>	<u>\$16,000</u>	<u>\$16,000</u>
Contract "Not to Exceed" Amount	<u>\$96,000</u>	<u>\$96,000</u>	<u>\$96,000</u>
		TOTAL	<u>\$288,000</u>

The contingency allowance is for emergencies and/or special requests related to unanticipated increases in Rose Bowl events, as well as tenant improvements, annual work plan projects, and increases in overall maintenance due to aging facilities.

COUNCIL POLICY CONSIDERATION:

This contract supports the City Council's strategic goals to improve, maintain, and enhance public facilities and infrastructure.

ENVIRONMENTAL ANALYSIS:

There is no environmental impact for this action.

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FISCAL IMPACT:

The cost of this contract is \$284,363. Funding will be addressed by the utilization of existing budget appropriation in the Building Maintenance Fund under budget account 50222055-811400. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Director of Public Works

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STEVE MERMELL
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