



Agenda Report

November 14, 2016

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ORGANIC PLANET TRUCK & TRANSPORT, INC. TO FURNISH AND DELIVER ROCK AND BITUMINOUS MATERIALS FOR AN AMOUNT NOT TO EXCEED \$349,585 PER YEAR

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project;
2. Accept the bid dated September 21, 2016 submitted by Organic Planet Truck & Transport, Inc. in response to Specification WD-16-11, to furnish and deliver rock and bituminous materials for the Water and Power Department ("PWP"), reject all other bids, and authorize the City Manager to enter into a purchase order contract with Organic Planet Truck & Transport, Inc. for an amount not to exceed \$349,585 for one year; and
3. Authorize the City Manager extend the contract for three optional one-year terms not to exceed \$349,585 per year. If the three additional one-year terms are exercised, the total contract amount is \$1,398,340 for a maximum contract length of four years.

BACKGROUND:

Pasadena Water and Power ("PWP") regularly completes water distribution projects as identified in the adopted Capital Improvement Program ("CIP"), Water System Master Plan, Water Integrated Resources Plan, and other water operations-related work. Specification WD-16-11 provides for a contract to furnish and deliver crushed aggregate base, sand, and asphalt cold mix for PWP's Water Division construction crews to back fill excavations in the street after the installation of pipelines and other water facilities.

The bid schedule was categorized into two groups to separate the materials. Bidders had the option to bid on one or both groups.

The Notice Inviting Bids for Specification WD-16-11 was advertised in the Pasadena Journal and posted online through Planet Bids on September 1, 2016. In addition, Specifications were sent to eleven vendors, none of which were local since there are no known wholesale rock and bituminous material vendors in Pasadena. A pre-bid conference was not conducted. Four responsive bids were received and opened on September 23, 2016.

The bid results were as follows:

Bid Group A: Rock Materials

<u>Bidders</u>	<u>Grand Total Price</u>
Organic Planet Truck & Transport, Inc., Chino, CA	\$231,000.00
P.T.I. Sand & Gravel, Inc., Corona, CA	\$276,765.00
Vulcan Materials Company, Glendale, CA	\$339,150.00
Logans Marketing, San Diego, CA	\$367,498.95
Engineer's Estimate	\$247,000.00

Bid Group B: Bituminous Materials

<u>Bidders</u>	<u>Grand Total Price</u>
Organic Planet Truck & Transport, Inc., Chino, CA	\$118,585.00
P.T.I. Sand & Gravel, Inc., Corona, CA	\$123,930.00
Vulcan Materials Company, Glendale, CA	\$142,875.00
Logans Marketing, San Diego, CA	\$149,962.20
Engineer's Estimate	\$126,000.00

Organic Planet Truck & Transport, Inc. is the lowest responsive bidder for both Groups A and B and complied in all respects with the requirements of the specification.

The proposed contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder. Staff recommends that the City Council award a purchase order contract to Organic Planet Truck & Transport, Inc. for an amount not to exceed \$349,585 per year for one year, with three optional one-year extensions at \$349,585 per year. Water Distribution staff in the Water Services Division will monitor the contract spending.

Organic Planet Truck & Transport, Inc. was also the lowest bidder for a competitively bid contract for Hauling and Disposal Services (Specification WD-16-07) with PWP in the amount of \$205,910 per year, with an option for three additional one-year terms. City Council approved this contract on August 8, 2016. They also held the competitively bid hauling contract from September 2012 through September 2016 in the amount of \$150,000 per year.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council Strategic Planning Goal to improve, maintain, and enhance public facilities and infrastructure. It supports PWP's Water System Master Plan adopted by the City Council in 2002 and addresses the replacement of aging water distribution mains and establishment of reliable infrastructure for the City's water system.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The authorization of a contract to furnish and deliver materials to the Department's Water Division construction crews' job sites or other locations within the PWP service territory is a continuing administrative and maintenance activity. The City has maintained such an agreement(s) with hauling vendors for equivalent services in the past and the proposed contract is a continuation of such services. In addition, the authorization of the proposed contract would not commit the City to undertaking or approving any actual or specific physical construction activities or any other actions that involve physical changes to the environment. Rather, the proposed contract would make such services available to potential water infrastructure projects, which themselves would be subject to CEQA consideration. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The total cost of this action will be \$1,398,340 for the initial year inclusive of the three additional one-year terms, if exercised. Funding for this action will be addressed by the utilization of existing budgeted appropriations in CIP #1001 – Distribution Mains, CIP #1002 – Meters and Services, CIP #1003 – Customer Driven, and CIP #1019 – Fire Protection System Improvements, as well as the utilization of approved appropriations for operating and maintenance of water transmission and distribution systems. It is anticipated that \$349,585 of the cost will be spent in the initial year of the contract which falls in fiscal years 2017 and 2018.

The following table presents the contract summary:

First-year contract amount	\$349,585
Optional three year extensions	\$1,048,755
Total amount of contract	\$1,398,340

Respectfully submitted,



GURCHARAN S. BAWA
Interim General Manager
Water and Power Department

Prepared by:



Natalie Z. Ouwersloot
Principal Engineer

Approved by:



STEVE MERMELL
City Manager