



# Agenda Report

September 23, 2019

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ROBERTSON'S READY MIX TO FURNISH AND DELIVER CONCRETE MATERIALS FOR AN AMOUNT NOT TO EXCEED \$271,905 PER YEAR**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is not considered a "project" per Section 21065 of the California Environmental Quality Act ("CEQA") and is therefore not subject to CEQA review pursuant to Sections 15060(c)(2), 15060(c)(3), and 15378 of the CEQA Guidelines; as such, no environmental document pursuant to CEQA is required for the project;
2. Accept the bid dated August 14, 2019 submitted by Robertson's Ready Mix in response to Specification WD-19-13, to furnish and deliver concrete 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 Robertson's Ready Mix for an amount not to exceed \$271,905 for one year; and
3. Authorize the City Manager to extend the purchase order contract for three optional one-year terms not to exceed \$271,905 per year. If the three additional one-year terms are exercised, the total purchase order contract amount is \$1,087,620 for a maximum duration 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-19-13 provides for a purchase order contract to furnish and deliver concrete materials for PWP's Water Division construction crews to slurry back fill excavations in the street after the installation of pipelines, water services, and other water facilities. Particularly, projects in areas that have corrosive soils and/or are located in the jurisdiction of the Los Angeles County Department of Public Works require slurry back fill.

The Notice Inviting Bids for Specification WD-19-13 was advertised in the Pasadena Journal and posted online through Planet Bids on August 1, 2019. In addition, Specifications were sent to seven vendors. One vendor, Robertson's Ready Mix, has a dispatch plant in Pasadena. A pre-bid conference was not conducted. Two responsive bids were received on August 14, 2019.

The bid was evaluated by multiplying each unit price bid by the corresponding estimated quantity to determine the item total. The total price included delivery and sales taxes. This evaluation method and estimated quantities were fully disclosed in the Specifications.

The bid results are as follows:

<b>Bidder</b>	<b>Total Price</b>
Robertson's Ready Mix, Corona, CA	\$271,904.06
Logans Marketing, San Diego	\$335,463.19
<i>Engineer's Estimate</i>	<i>\$275,000</i>

Robertson's Ready Mix provided the lowest responsive and responsible bid and complies in all respects with the requirements of the Specifications. Bidders submitted unit price costs per yard to furnish and deliver controlled low strength material slurry and Portland cement concrete, Class 520-C-2500 based on estimated quantities provided by the City.

It is recommended that the City Council award a purchase order contract to Robertson's Ready Mix for an amount not to exceed \$271,905 per year for one year with three optional one-year extensions of \$271,905 each, subject to the approval of the City Manager. Water Distribution staff in the Water Division will monitor the purchase order contract spending.

The proposed purchase order contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08. The project was bid as a prevailing wage project and workers employed will be paid the general prevailing rate of per diem wages as determined by the California Director of Industrial Relations. The project will meet the requirements of prevailing wage law under California Labor Code Sections 1720 through 1861 and Title 8 of the California Code of Regulations.

Robertson's Ready Mix was awarded a competitively-bid multi-year purchase order contract in fiscal year 2016 to furnish and deliver concrete materials with a value of \$249,202 or less per year for the past four years valued at \$996,808.

**COUNCIL POLICY CONSIDERATION:**

The proposed purchase order 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 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 purchase order contract to furnish and deliver concrete materials to the Department's Water Division construction crews' job sites or other locations within the PWP service territory is an administrative and maintenance activity. The authorization of the proposed purchase order 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 purchase order 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 \$271,905 for the initial year plus three optional one-year terms not to exceed \$271,905 per year. If the three additional one-year terms are exercised, the total purchase order contract amount is \$1,087,620 for a maximum duration of four years. Funding for this action will be addressed by the utilization of existing budgeted appropriations in CIPs 01001 and 01080– Distribution Mains, CIP 01081 – Meters and Services, and CIPs 01003 and 01082 – Customer Driven, as well as the utilization of approved appropriations for operating and maintenance of water transmission and distribution systems. It is anticipated that \$203,929 of the cost will be spent in the current fiscal year.

The following table presents the purchase order contract summary:

First-year purchase order contract amount	\$271,905
Optional three year extensions	\$815,715
Total amount of purchase order contract	\$1,087,620

Respectfully submitted,



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Approved by:



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STEVE MERMELL  
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