

Agenda Report

September 14, 2020

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ANIXTER INC. TO FURNISH AND DELIVER MISCELLANEOUS ELECTRIC UTILITY PARTS AND MATERIALS

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; and
2. Accept the bid dated August 10, 2020 submitted by Anixter Inc. in response to Specification titled "Purchase of Electric Materials and Supplies to furnish and deliver electric utility equipment; reject all other bids after successful execution of contract with Anixter Inc., and authorize the issuance of a Purchase Order ("PO") Contract with Anixter Inc. for an amount not to exceed \$12,750,000 for a period of five years, whichever occurs first, with two one-year optional extensions of \$2,550,000 each, whichever occurs first. For a maximum total contract length of seven years and a total contract amount of \$17,850,000.

BACKGROUND:

The purpose of this contract is to furnish the required materials needed by Pasadena Water and Power Department ("PWP") to operate and maintain the electric distribution and transmission system and other parts and materials needed for PWP.

Through the normal course of providing electrical service to its customers, PWP requires timely delivery of a variety of parts, materials, and equipment to maintain a reliable electrical distribution and transmission system, minimize in-house inventory levels, and manage costs.

The proposed contract will require the vendor to provide parts, materials and equipment as needed in a timely manner. In addition, the vendor will provide restocking services, stock high volume items on their premises, and conduct regularly scheduled meetings with PWP staff to discuss product selection and opportunities for process improvements.

Examples of the items purchased under this contract award are:

- Cable/Wire Connectors
- Cutout Switches
- Equipment Fuses
- Vault Ventilation Equipment & Other Materials
- Cable Splices
- Disconnect Switches
- Insulators
- Voltage Regulators
- Construction Tools
- Electrical Conduits
- Pole Top Materials
- Wires for Poles
- Automation Equipment
- Fiber Optic Equipment
- Transformers
- Utility Poles
- Safety Supplies

On June 23, 2020, a Notice Inviting Bids for this specification to purchase electric supplies and materials was published on Planet Bids. The Specification consists of approximately 750 line items of varying quantities and types of items based on historic use. Table I provides a summary of distribution of specifications and submittal of bids.

Table I – Summary of distribution of specifications and Bid submittals

	Local Vendors	Non-Local Vendors	Total
Electronic notifications of issuance of Specifications received by	39	915	954
Vendors downloaded specifications	2	29	31
Bids submitted by	0	4*	4*

*One bid was deemed nonresponsive because it was incomplete.

Table II below lists the prices for the responsive bids:

Table II – Summary of Bids

Vendor	Location	Amount
Anixter Inc.	Corona, CA	\$2,303,098
OneSource Distributors	Garden Grove, CA	\$2,316,094
Wesco Distribution Inc.	Cerritos, CA	\$2,656,327

Anixter Inc. was the lowest responsible bidder with a bid amount of \$2,303,098. The total amount of the Anixter Inc. bid with a 10.25% tax included is a total of \$2,539,166. Staff respectfully recommends that the City Council authorize the issuance of a PO Contract with Anixter Inc. for an amount not to exceed \$12,750,000 for a period of five years, or whichever occurs, with two one-year optional extensions of \$2,550,000 each, or whichever occurs first.

The proposed contract with Anixter Inc. fully complies with the Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code Chapter 4.08 and the rules and regulations promulgated thereunder.

Anixter Inc. has had three PO contracts with the City of Pasadena since 2016 in an amount totaling approximately \$39,627.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the City Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The issuance of a PO Contract and the appropriation of funding for electric utility equipment are administrative actions that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

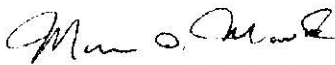
The maximum cost of this action is \$17,850,000 if both optional extensions are exercised. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Water and Power Department's Power Operating Fund 401.

Respectfully submitted,



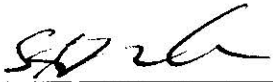
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