

# Agenda Report

TO: CITY COUNCIL

JULY 20, 1998

FROM: ACTING CITY MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PHILIP SERVICES CORPORATION FOR THE ABANDONMENT OF UNDERGROUND STORAGE TANKS AND UNDERGROUND PIPELINES

## **RECOMMENDATION:**

It is recommended that the City Council authorize the General Manager of the Water and Power Department to enter into a contract with Philip Services Corporation for the abandonment of the underground storage tanks and underground pipelines for an amount not-to-exceed \$350,000. It is further recommended that this contract be entered without competitive bidding pursuant to City Charter Subsection 1002(f), contracts for professional or unique services.

## **BACKGROUND:**

There are two underground fuel oil storage tanks, two underground diesel unloading tanks, one underground sulfuric acid tank, and associated buried pipelines, at the Broadway and Glenarm Power Plant sites, which are required to be abandoned in compliance with California and Federal underground storage tank (UST) regulations. These regulations require that all USTs and buried pipelines installed before January 1, 1984 be replaced, upgraded, or abandoned in-place by December 22, 1998. The scope of work for this project has been approved by the controlling regulatory agency, which is the Pasadena Fire Department.

A Request for Proposal (RFP) was sent to twenty contractors, which included three minority-owned businesses. Five firms responded with proposals. While the proposed contract is exempt from competitive bidding pursuant to Subsection 1002(f) of the City Charter, the proposals were evaluated based upon the criteria established in the RFP and the evaluation yielded the following rankings:

<u>BIDDER</u>	<u>EVALUATED SCORE</u>
Philip Services Corp.	77.34
Ecology Control Industries	68.18
Montgomery Watson	57.18
O.C.Vacuum	55.72
Environmental Engineering	51.23

(A more detailed breakdown of the bids evaluation is attached.)

Philip Services Corp. met all the requirements of the RFP, received the highest evaluated score, and is therefore recommended for award of the proposed contract.

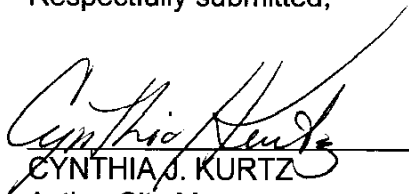
The proposed contract price of \$350,000 includes a base price of \$293,334 and a contingency amount of \$56,666 (approximately 20%) for unit price items, which are above the estimated quantities and change orders resulting from unexpected findings during the work.

Philip Services completed the required affirmative action forms. The Affirmative Action Coordinator has performed an analysis of Philip Services' permanent work force and found underutilization in several evaluated job categories. Philip Services has an Affirmative Action Plan that defines goals and time-tables to remedy the underutilization and that provides documentation of the Company's efforts and progress. Monitoring the Plan will require a review of the Contractor's good faith efforts and an evaluation of their Monthly Employment Utilization Report. With the Plan, the proposed Contract complies with the Affirmative Action in Contracting Ordinance, Pasadena Municipal Code, Chapter 4.09 and rules and regulations promulgated thereunder.


**FISCAL IMPACT**

Funding is from the Capital Improvement Program, Power Fund, Budget No. 3016 for Underground Storage Tanks Abandonment and Remediation.


Respectfully submitted,

  
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