

Agenda Report

April 21, 2003

To: City Council

From: City Manager

Subject: Authorization to Enter into a Contract with General Pump Company, Inc., to Provide Labor and Materials for Deep Well and Pump Maintenance for an amount not to exceed \$350,000 for the Water and Power Department, Specification WD-02-01

RECOMMENDATION

It is recommended that the City Council:

- (i) Accept the bid dated April 1, 2003 submitted by General Pump Company, Inc., in response to Specification WD-02-01 for Providing Labor and Materials for Deep Well and Pump Maintenance for Pasadena Water and Power;
- (ii) Reject all other bids; and
- (iii) Authorize the City Manager to enter into such contract, not to exceed \$350,000 annually.

BACKGROUND

Specification for Providing Labor and Materials for Deep Well and Pump Maintenance for the Water and Power Department was issued on July 11, 2002. Three responses were received and opened in the City Clerk's office on July 31, 2002.

Subsequent to the bid opening, it was determined that the Specification was confusing for some of the bidders in regards to a particular Bid Item, Lump Sum for Invoiced Items. On September 9, 2002 the City Council approved staff's recommendation to reject all bids. Staff revised the Specification to clarify the Bid Item and reissued the bid.

Specification WD-02-01 provides for an annual contract for repair and maintenance work on wells and pumping equipment for the Water and Power Department. The Specification provides for an initial term of one year from the date the City signs the contract with an option for the General Manager of Water and Power to extend the contract three additional one-year periods, provided the contractor's services have been satisfactory and its proposed price changes do not exceed the rate of the then current Producer Price Index. In addition to fifteen operating wells, which provide approximately 40% of the City's water supply, there are numerous pumps throughout the water system, which must be maintained and, on occasion, repaired or replaced. Much of the work is very specialized and beyond the expertise of our own staff. When failure of any of these facilities occurs, timely repair is essential and the annual contract provides an efficient means for this.

The Notice Inviting Bids for Specification WD-02-01 was published in the Pasadena Journal on March 13, 2003. Three contractors received the Specification, and submitted bids as follows:

<u>Bidders</u>	<u>Total Weighted Bid Price</u>
General Pump Company, Inc.	\$131,039.00
Layne Christensen Company, Inc.	\$147,000.00
Beylik Drilling, Inc.	\$234,330.00

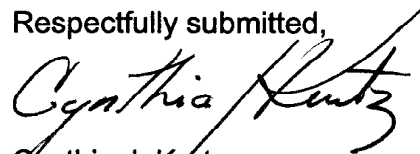
The bids were evaluated by multiplying each unit price bid by an estimated quantity for each item and adding the products to arrive at a Total Weighted Bid Price. This method of evaluation and the weighting factors were fully set forth in the Specification. The lowest Total Weighted Bid Price represents the lowest bidder.

General Pump Company, Inc., is the lowest responsive bidder, fully complying with the requirements of the Specification, and the Competitive Bidding and Contracting Ordinances P.M.C.4.08. Staff recommends that the City Council award a contract to General Pump Company, Inc. for an amount not to exceed \$350,000 per year. The recommended contract amount is based on the Department's expected annual expenditure for this work in the upcoming year.

FISCAL IMPACT

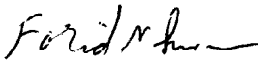
Funds for construction of Deep Well and Pump Maintenance are provided for in the Water Division's Operating and Capital Budgets in various Water and Power accounts.

Respectfully submitted,



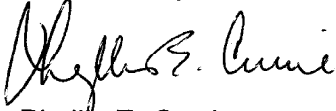
Cynthia J. Kurtz
City Manager

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General Manager
Water and Power Department

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Director-Finance and Administration
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