

# Agenda Report

November 2, 2009

**TO:** CITY COUNCIL

**FROM:** CITY MANAGER

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH CHEMTREAT INC., TO PROVIDE A WATER TREATMENT PROGRAM AND CHEMICALS FOR THE BROADWAY AND GLENARM POWER PLANTS**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the action proposed herein is exempt from the California Environmental Quality Act pursuant to State CEQA Guidelines Section 15301 (Existing Facilities – maintenance);
2. Authorize the City Manager to enter into a contract with ChemTreat Inc. to provide a water treatment program and chemicals for the Broadway and Glenarm Power Plants for an amount not-to-exceed \$255,000 over a three year period; and
3. Authorize the City Manager to extend the contract for up to two one-year periods subject to CPI increase.

The proposed contract is exempt from competitive bidding pursuant to City Charter Section 1002(f), contracts for professional or unique services.

**BACKGROUND:**

The proposed contract is for the continuing water treatment program and chemical products intended for treating high-pressure boilers, cooling towers, closed cooling water systems, and water conditioning units at the Broadway and Glenarm Power Plants. The treatment programs have been in place since the plants began operations, and include handling, monitoring and injecting chemicals to process water in order to

minimize problems associated with metal corrosion, mineral scale deposits, and microbiological growth to power plant equipment. This service will ensure efficient and reliable operation of the power generating units.

A Request for Proposal (RFP) to provide these services was issued on July 6, 2009. Four vendors responded to the City's RFP. PWP staff independently evaluated the four proposals based on the criteria stated in the RFP and the evaluation yielded the following scores:

<b>BIDDERS</b>	<b>EVALUATED SCORE</b>
ChemTreat, Inc. (Glen Allen, VA)	86
Nalco Chemical Company (Long Beach, CA)	80
San Joaquin, Inc. (Irwindale, CA)	72
GE Betz (Treviso, PA)	71

(A summary table of the evaluation is attached to this report)

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

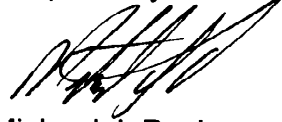
The requested amount of \$255,000 is for three years and is based on the annual cost of water treatment program of \$83,529/ per year. The second and third year of the contract is subject to CPI increase. PWP has an option to extend the contract for up to two one-year extensions with prices tied to increases in the consumer price index in the Los Angeles- Riverside-Orange County areas. Each extension option, if exercised by PWP, will require the approval of the City Manager.

The proposed contract complies with Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code, Chapter 4.08 and the Living Wage Ordinance, Pasadena Municipal Code 4.11.

**FISCAL IMPACT:**

Sufficient funds are available from the Power Operating Budget Account Numbers 8114-401-841200-0548 (70%) and 8114-401-841200-0502 (30%).

Respectfully submitted,



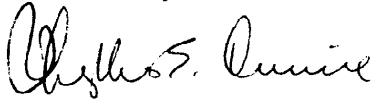
Michael J. Beck  
City Manager

Prepared by:



Simik Simonian  
Assistant Engineer  
Water and Power Department

Approved by:



Phyllis E. Currie  
General Manager  
Water and Power Department

**WATER TREATMENT PROGRAM & CHEMICALS SELECTION MATRIX**

EVALUATION CRITERIA	MAX. POINTS	BIDDERS			
		GE Betz	ChemTreat	San Joaquin	Nalco
Environmental (Green) & Personnel Safety of product, handling, and chemical inventory	20	15	19.6	19.2	16.4
Field service support, accountability, and analytical report	10	4.6	10	9.6	9.6
Water treatment methodology and recommended treatment levels	30	23	29.6	20.2	24.6
Total annual cost of water treatment program	30	28.6	26.8	23.2	29.2
Local Pasadena business preference	5	0	0	0	0
Small or micro business	5	0	0	0	0
<b>Total Points</b>	<b>100</b>	<b>71.2</b>	<b>86</b>	<b>72.2</b>	<b>79.8</b>

EXHIBIT " "
Disclosure pursuant to the
City of Pasadena Taxpayer Protection Amendment of 2000
Pasadena City Charter, Article XVII

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than a 10% equity, participation, or revenue interest in Contractor/Organization, as follows:
(If printing, please print legibly. Use additional sheets as necessary.)

1. Contractor/Organization Name:

ChemTreat, Inc.

2. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

Table with 1 column and 10 rows containing names and titles: John A. Nygren, President; Randy Azzarello, Executive Vice President/COO; Jeffrey Dowd, CFO and Treasurer; David Hall, Assistant Secretary.

3. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

Table with 1 column and 10 rows, first row contains 'N/A'.

Prepared by: Melissa Brookman

Title: Sr. Documents Specialist

Date: September 24, 2009

For office use only:
Contract/Transaction No.