

# Agenda Report

To: CITY COUNCIL

Date: October 5, 2009

From : CITY MANAGER

Subject: AUTHORIZATION TO ENTER INTO A CONTRACT WITH AIRGAS WEST, INC. FOR FURNISHING AND DELIVERY OF CALIBRATION AND INDUSTRIAL GASES.

## RECOMMENDATION:

It is recommended that the City Council:

1. Accept the bid dated August 12, 2009 submitted by Airgas West, Inc. in response to Specifications LD-09-13 for Furnishing and Delivery of Calibration and Industrial Gases.
2. Authorize the City Manager to enter into a contract with Airgas West, Inc. for a term of three years or until an amount not-to-exceed \$160,000 is expended, whichever occurs first. The contract may be extended for a period of up to two additional one-year periods. Each extension will require the approval of the City Manager.

## BACKGROUND:

Pasadena Water and Power Department (PWP) requires regular deliveries of calibration gases for daily use and linearity testing of the Continuous Emissions Monitoring Systems for the Broadway and Glenarm Power Plants to assure functionality of plant monitoring systems and compliances with Southern California Air Quality Management District regulations. In addition, PWP requires regular deliveries of industrial gases for the repair and maintenance of plant equipment.

On July 23, 2009, a Notice Inviting Bids was published in the Pasadena Journal and Specifications LD-09-13 for Furnishing and Delivery of Calibration and Industrial Gases was sent to four prospective bidders. On August 12, 2009, the City Clerk received three responsive bids.

The bids are as follows:

<b><u>BIDDER</u></b>	<b><u>TOTAL BID PRICE</u></b>
Airgas West, Inc., Carson, CA	\$46,830.36/year
Praxair Distribution, North Hollywood, CA	\$52,548.00/year
Air Liquide, LLC, Santa Fe Springs, CA	\$65,719.13/year

The lowest bidder Airgas met all the requirements of the Specifications and is therefore recommended for award of the proposed contract.

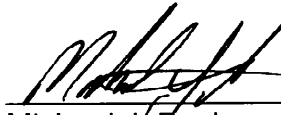
The proposed contract amount is based on the annual gas consumption at the plant and the unit prices submitted in the bid, yearly escalation of the unit prices, three years duration of the contract, and a 10% contingency for eventual increase in number of needed deliveries. The duration of the proposed contract will be three years, or after using \$160,000, whichever occurs first. The contract may be extended for a period of up to two additional one-year periods with prices tied to the increase of Consumer Price Index for the Los Angeles-Orange-Riverside County Area. Each extension will require the approval of the City Manager.

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

FISCAL IMPACT:

Funding is available from the Power Fund, Operating Budget Account Numbers 8101-401-841200-0548 (70%), and 8101-401-841200-502 (30%).

Respectfully Submitted,



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Michael J. Beck  
City Manager

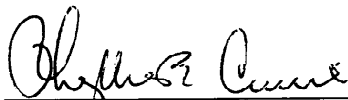
Prepared by:



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Wes Stengel  
Associate Engineer  
Power Supply Business Unit

Approved by:



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Phyllis E. Currie  
General Manager  
Pasadena Water and Power