

# Agenda Report

August 6, 2012

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH MUELLER SERVICE CALIFORNIA, INC. TO PROVIDE UTILITY SERVICES IN AN AMOUNT NOT TO EXCEED \$500,000 PER YEAR (SPECIFICATION WD-12-01)**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the project is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Existing Facilities);
2. Accept the bid dated July 11, 2012 submitted by Mueller Service California, Inc., in response to Specification WD-12-01, to provide utilities services for the Water and Power Department ("Department");
3. Reject all other bids; and
4. Authorize the City Manager to enter into a contract with Mueller Service California, Inc. for an amount not to exceed \$500,000 per year for an initial period of two years with an option for three additional one-year terms of \$500,000 each.

## **BACKGROUND:**

The Department regularly completes water distribution projects as identified in the adopted Capital Improvement Program, Water System Master Plan, Water Integrated Resource Plan, and other water operations-related work. Specification WD-12-01 calls for a contract to provide utility services to the Department. The services provided include replacing water meters, service laterals, fire hydrants, line stops, valves and valve boxes, which will assist in meeting the Department's Water Division goals. Any work to be performed by the contractor shall be only as a supplement to the work performed by the Department's Water Division construction crews on an "as needed" basis.

On June 14, 2012, a Notice Inviting Bids for Specification WD-12-01 was advertised in the Pasadena Journal, and posted online through Planet Bids.

As a result of the Notice Inviting Bids, fourteen contractors received the Specification. Two bids were received and opened on July 11, 2012.

Bids were evaluated by multiplying each unit bid price by an estimated quantity and then adding the products to arrive at a total bid. The total bid price is only used for comparing bids and does not constitute the total value of the contract. Bids were evaluated based on the lowest grand total price submitted in the bidder's proposal.

The results of the bid are as follows:

<b><u>Bidders</u></b>	<b><u>Total Bid</u></b>
Mueller Service California, Inc., Ontario	\$3,311,165.99
Perry C. Thomas Construction, Inc., Monrovia	Non-Responsive

Staff recommends that the Council award a contract to Mueller Service California, Inc., as Perry C. Thomas Construction, Inc. formally withdrew their bid due to calculation errors; therefore, Mueller Service California, Inc. is the lowest responsive bidder and complies in all respects with the requirements of the Specification.

#### **COUNCIL POLICY CONSIDERATION:**

The proposed contract supports the Department's Water System Master Plan adopted by the City Council in 2002 and addresses the replacement of aging water distribution mains and establishment of reliable infrastructure for the City's water system.

#### **ENVIRONMENTAL ANALYSIS:**

The project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15301 (Existing Facilities). The exemption covers the repair, maintenance, or minor alteration of existing public or private facilities, including existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities, involving negligible or no expansion of the use.

**FISCAL IMPACT:**

Funding for the contract will be provided using approved CIP appropriations budgeted in the Water Capital Fund 412 under Distribution Mains Project #1001, Fire Protection System Improvements Project #1019, and Meters and Services Project #1002. If the three, one-year extensions are approved, the maximum cost of this contract will be \$2,500,000.

It is anticipated that \$500,000 of the cost will be spent during fiscal year 2013 as shown in the following table.

<b>Fund</b>	<b>Budget Number</b>	<b>Amount</b>
Water Capital Fund 412	Budget Number 1001 Distribution Mains	\$300,000
Water Capital Fund 412	Budget Number 1002 Meters and Services	\$ 50,000
Water Capital Fund 412	Budget Number 1019 Fire Protection System Improvements	\$150,000

Total Annual Fiscal Impact \$500,000

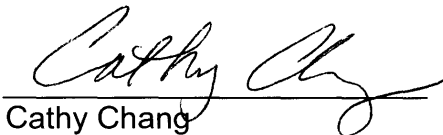
The remainder of the costs may be incurred over the next four fiscal years in even increments. Work will not be assigned under the contract unless sufficient funding is available. The anticipated administration cost as a result of this action will be minimal.

Respectfully submitted,

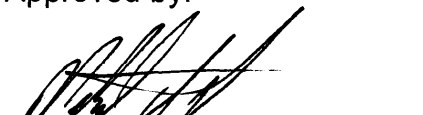


Phyllis E. Currie  
General Manager

Prepared by:

  
Cathy Chang  
Principal Engineer

Approved by:

  
MICHAEL J. BECK  
City Manager

**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Amendment  
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 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:**  
*Mueller Service Co*

**2. Type of Entity:**  
 non-government     nonprofit 501(c)(3), (4), or (6)

**3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:**  
*Mueller Service Co is a wholly owned subsidiary of Mueller Co and Mueller Water Products.*  
*President - Gregory Ruggieri*  
*- see Attached Detail*

**4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:**  
*Wholly owned by Mueller Co.*

Prepared by: *Shane Majestic*

Title: *Bus Mgr*

Phone: *813-764-5183*

Date: *7/3/12*

MUELLER SERVICE CO., LLC  
RESOLUTIONS ADOPTED BY THE  
SOLE MEMBER

November 12, 2009

**RESOLVED**, that the following persons be, and hereby are, elected and appointed to serve in the offices of the Company listed next to their names, each to hold such office until their death, resignation or removal and until their successor is duly elected and qualified:

Gregory S. Rogowski                      President and General Manager  
Connor Deering                          Vice President; and

**RESOLVED**, that as a result of the approval of the above resolutions, the following constitutes all of the officers of the Company as of the date hereof:

<u>Officers:</u>	<u>Title:</u>
Gregory S. Rogowski	President and General Manager
Robert G. Leggett	Executive Vice President and Chief Operating Officer
Robert Barker	Executive Vice President and Corporate Secretary
Evan L. Hart	Senior Vice President and Chief Financial Officer
Robert D. Dunn	Senior Vice President
Robert P. Keefe	Senior Vice President and Chief Information Officer
Marietta Edmunds Zakas	Senior Vice President
Connor Deering	Vice President
Kevin G. McHugh	Vice President and Controller
Walter A. Smith	Vice President, Treasurer
Evan L. Hart	Vice President and Controller
Stacey K. Geer	Vice President and Assistant Secretary
Daniel Grucza	Vice President, EH&S
Gary Wilbanks	Vice President
Michelle Cunningham	Assistant Treasurer

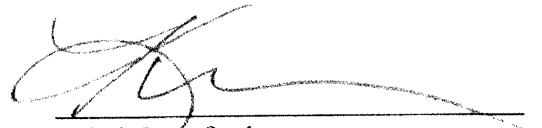
**ASSISTANT SECRETARY CERTIFICATE**

**OF**

**MUELLER SERVICE CO., LLC**

I, Kristi Crawford, the duly appointed and acting Assistant Secretary of Mueller Service Co., LLC, a limited liability company duly organized and existing under the laws of the State of Delaware (the "Company"), do hereby certify that attached hereto as Exhibit A is a true, correct and complete copy of certain resolutions duly adopted by the Sole Member of the Company by Written Consent In Lieu of Meeting dated as of November 12, 2009. Such resolutions have not rescinded and remain in full force and effect as of the date hereof.

**IN WITNESS WHEREOF**, I have hereunto set my hand as of this 30<sup>th</sup> day of July, 2012.



Kristi Crawford  
Assistant Secretary