

Agenda Report

December 17, 2012

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO CONTRACT WITH UNLIMITED ENVIRONMENTAL, INC. FOR PROVIDING LABOR AND MATERIALS FOR PARTIAL ASBESTOS ABATEMENT AT THE BROADWAY POWER PLANT.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act ("CEQA") Guidelines in accordance with Title 14, Chapter 3, Section 15301, (Existing Facilities);
2. Accept the bid dated November 5, 2012, submitted by Unlimited Environmental, Inc., in response to Specifications LD-12-08 for labor and materials for partial asbestos abatement at the Broadway Power Plant; reject all other bids received; and authorize the City Manager to enter into such contract as is required for an amount not to exceed \$305,000.

BACKGROUND:

The Broadway Power Plant consists of Units B-1, B-2, and B-3. Units B-1 and B-2 were decommissioned in 2003 and Unit B-3 is still in operation. Most of the thermal insulation on the components of these units is Asbestos Containing Material (ACM) and in a state of disrepair.

During the last five years, there were several incidents in which ACM insulation was damaged and/or fell from the equipment due to deterioration and age. These incidents, which largely occurred during the rainy season and other harsh weather conditions, posed a safety and health hazard to plant personnel and required costly emergency clean up and repairs.

The proposed contract is for the removal of ACM insulations that are damaged, deteriorated, and at high risk of falling. The proposed work will eliminate the safety and health hazards as well as prevent expensive emergency repairs.

The Water and Power Department prepared the specifications for the subject project in accordance with Section 4.08.070 of the Pasadena Municipal Code.

On October 4, 2012, the Notice Inviting Bids for providing labor and materials for partial asbestos abatement at the Broadway Power Plant was advertised in the Pasadena Journal and posted on the City of Pasadena's website. Bid packages were obtained by 15 prospective bidders, and all attended the mandatory pre-bid conference.

On November 7, 2012, the City Clerk received five responsive bids, as follows:

<u>Bidder</u>	<u>Amount</u>
Unlimited Environmental, Inc., Signal Hill, CA	\$277,000
Matrix Industries, Inc., Long Beach, CA	\$443,000
Tri Span, Inc., Brea, CA	\$453,261
Brickley Construction Company, Inc., San Bernardino, CA	\$797,068
NCM Demolition and Remediation, LP, Brea, CA	\$1,247,800

It is recommended that Unlimited Environmental, Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract fully complies with competitive bidding and living wage ordinances.

The proposed not-to-exceed contract amount of \$305,000 includes the base bid price of \$277,000 plus approximately 10% contingency for any unexpected extra work.

COUNCIL POLICY CONSIDERATION:

This contract supports the City Council strategic goal to improve, maintain, and enhance public facilities and infrastructure. It also provides for employee safety, effectiveness and satisfaction.

ENVIRONMENTAL ANALYSIS:

Services provided under the proposed contract for partial asbestos abatement have been determined to be categorically exempt in accordance with Title 14, Chapter 3, Section 15301, (Existing Facilities) of CEQA Guidelines. Section 15301 allows for the maintenance, repair, minor alteration etc. of existing facilities, including publicly owned utilities that involves negligible or no expansion of use.

FISCAL IMPACT:

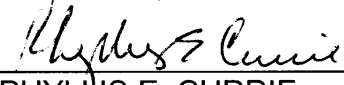
The sufficient funding for this action is in the Power Operating Fund 401, account 8114-401-841200-0514-24900-09.

The following table presents a summary of the total fiscal impact:

Partial Asbestos Abatement	FY 2013
Total Bid Price	\$277,000
Approximately 10% contingency	\$ 28,000
Total Fiscal Impact Not-to-Exceed	\$305,000

There are no other anticipated impacts to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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