

Agenda Report

December 7, 2015

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH HASA INC. TO FURNISH AND DELIVER 12.5% SODIUM HYPOCHLORITE FOR THE WATER AND POWER DEPARTMENT

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 Sections 15301 (Existing Facilities);
2. Accept the bid dated September 16, 2015 submitted by Hasa Inc. ("Hasa") in response to Specification WD-15-04 to furnish and deliver 12.5% sodium hypochlorite for the Pasadena Water and Power Department ("PWP"), reject all other bids, and authorize the issuance of a Purchase Order Contract for an amount not to exceed \$41,202 for an initial term of one year with an option for three additional one-year terms, each year not to exceed \$41,202 for a total amount of \$164,808.

BACKGROUND:

PWP operates the Eastside Disinfection Facility, which is located on East Sierra Madre Boulevard, just below Hamilton Park, and consists of a chloramination system to disinfect the water from four groundwater wells prior to discharge into the Jones Reservoir. The facility includes two chemical storage tanks, one of which is an above-ground, double-walled polyethylene 6,100-gallon sodium hypochlorite tank. The facility will require approximately 50,000 gallons of sodium hypochlorite solution annually. Specification WD-15-04 calls for a contract to provide all necessary supervision, labor, equipment, materials and safety equipment for furnishing and delivery of 12.5% sodium hypochlorite solution that will be used at the Eastside Disinfection Facility.

On August 27, 2015, the Notice Inviting Bids for Specification WD-15-04 was advertised in the Pasadena Journal and also posted online through Planet Bids. Sixteen companies received the specification and four bids were received and opened on September 25, 2015. Hasa, Inc is certified to manufacture sodium hypochlorite and meets all the standards provided by NSF International, the Public Health and Safety Organization. Per NSF, there are no local vendors that are certified to provide this service.

The results of the bids were as follows:

<u>Bidders</u>	<u>Grand Total Price</u>
Hasa Inc., Saugus, CA	\$41,202
Univar USA Inc., Kent, WA	\$50,112
Northstar Chemical, Modesto, CA	\$50,412
Brenntag Pacific, Inc., Santa Fe Springs, CA	\$51,720
Engineer's Estimate	\$40,000

Hasa is the lowest responsive and responsible bidder and complies in all respects with the requirements of the Specification. Staff recommends that the City Council award a contract to Hasa for a total amount not to exceed \$164,808, which includes an initial term of one year for an amount not to exceed \$41,202 with an option for three additional one-year terms, each year not to exceed \$41,202. The proposed contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder.

The recommended contractor has an existing purchase order contract with the City of Pasadena, Purchase Order #1160355-00, to furnish and deliver 4,500 gallons of 12.5% sodium hypochlorite solution to the Eastside Centralized Disinfection Facility, dated July 30, 2015, for \$3,500 per month.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the City Council's goal to improve, maintain and enhance public facilities infrastructure and to implement capital improvements that will maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

In compliance with the CEQA, an Initial Environmental Study ("Study") was prepared for the Eastside Well Collector and Centralized Disinfection Facility project. A Notice of Intent to Adopt a Mitigated Negative Declaration was published on August 6, 2012. The public comment period closed on September 5, 2012.

On October 29, 2012, City Council approved the Study and adopted a Mitigated Negative Declaration and a Mitigation Monitoring and Reporting Program for the Eastside Well Collector project. Since this approval, there have been no changed circumstances or new information that could trigger additional environmental review.

The proposed contract is exempt from CEQA pursuant to the State CEQA Guidelines Section 15301(b) (Existing Facilities). Section 15301 exempts the operation, repair, maintenance, permitting, leasing, licensing and minor alteration of existing public or private structures, facilities, mechanical equipment or topographic features involving negligible or no expansion of use. The proposed contract is for the continued delivery

of sodium hypochlorite and is required for the disinfection of drinking water. This contract does not involve any facility expansion or capacity increase and provides for the continued operation of the facility.

FISCAL IMPACT:

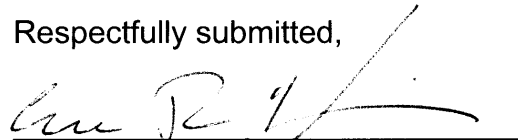
The total cost of this action will be \$164,808 if the initial year and all three additional one-year terms are exercised. Funding for this action will be addressed by the utilization of existing appropriations in the Water Operating Fund 402, general ledger number 49007410-811410 and project ledger number 06500-53403-49007410-810104. It is anticipated that \$41,202 will be spent in the initial year of the contract commencing in fiscal year 2016.

The following table presents the fiscal impact summary:

First-year contract amount	\$ 41,202
Optional three year extensions	\$123,606
Total Contract Amount	\$164,808

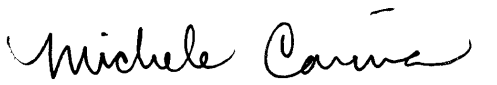
The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



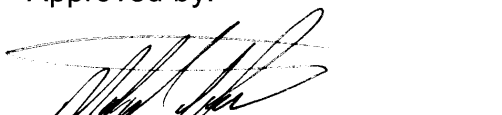
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