

AGENDA REPORT

June 1, 2015

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH PURETEC INDUSTRIAL WATER, INC. TO PROVIDE THE WATER CONDITIONING SYSTEM INSPECTION, MONITORING, AND MAINTENANCE SERVICES FOR THE GLENARM AND BROADWAY POWER PLANTS.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that contracting with Puretec Industrial Water, Inc. ("Puretec") to provide water conditioning system inspection, monitoring and maintenance services for the Broadway and Glenarm Power Plants is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301, Existing Facilities;
2. Authorize the City Manager to enter into a contract with Puretec to provide water conditioning system inspection, monitoring and maintenance services in an amount not to exceed \$138,000 over a period of three years or until the funds have been expended; with one two-year extension for \$92,000, subject to approval by the City Manager, for a total cost of 230,000. The extension is for two years or until the \$92,000 is expended, whichever occurs first.

BACKGROUND:

The proposed contract is for providing regularly scheduled documented service, inspection, monitoring, and maintenance for the Water Conditioning System for Glenarm and Broadway Power Plants. The Water Conditioning System is a system that processes city water to high purity water. The purified water is used for boiler make-up water for steam units; and cooling system make-up water, air pollution reduction and efficiency enhancement for the gas turbine units. This contract will ensure the efficient and reliable operation of the Water Conditioning System that services all of the local power generating units.

A Request for Proposal (RFP) to provide these services was posted on Planet Bid on March 5, 2015 and forwarded to five prospective bidders. Representatives of five companies attended the pre-bid conference and the job walk. Two companies responded to the City RFP. PWP staff independently evaluated the two proposals based on criteria stated in the RFP and the evaluation results are as follows:

<u>BIDDERS</u>	<u>EVALUATED SCORE</u>
Puretec Industrial Water, Inc., Oxnard, CA	90
Evoqua Water Technologies, Los Angeles, CA	79

Puretec met all the requirements of the RFP, received the higher evaluated score, and is therefore recommended for award of the proposed contract. Puretec has been successfully providing water conditioning system services for Broadway and Glenarm Plants under the Contract No. 20,306-1 which expires on June 4, 2015. This time Puretec submitted a price that is \$21,000 lower than Evoqua Water Technologies.

The requested amount of \$138,000 includes the consultant bid of \$125,638.04 for a three year contract, plus approximately 10% contingency for unforeseen services and parts replacements, as well as for the increased conditioned water demand during Unit GT5 commissioning in CY 2016. PWP has an option to extend the contract for one additional two-year extension with prices tied to increases in the Consumer Price Index in the Los Angeles – Riverside – Orange County areas. The extension is for two years or until the \$92,000 is expended, whichever occurs first. The extension option, if recommended by PWP, 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 Living Wage Ordinance, Pasadena Municipal code 4.11.

COUNCIL POLICY CONSIDERATION:

This authorization supports the City Council strategic goals to effectively manage and improve public facilities and infrastructure to deliver reliable water and power services. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The project has been determined to be exempt from CEQA per Section 15301 Existing Facilities. Section 15301 allows for the operation, repair and maintenance of existing private and public facilities that involve negligible or no expansion of use. The continued water conditioning system inspection, monitoring and maintenance services are required for the operation of the power generating plant and do not require any expansion of the facility.

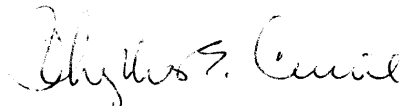
FISCAL IMPACT:

The total cost of this action if the two-year extension is exercised will be \$230,000. It is anticipated that \$138,000 of the cost will be spent in the initial three-year term of the contract and the remaining amount over the two-year extension. Funding for this action will be addressed by utilization of budgeted and future appropriations in the following accounts in Power Operating Fund:

Account	Allocation	Initial 3-year term	2-year extension	Total
8101-401-841200-0548	70%	\$96,600	\$64,400	\$161,000
8101-401-841200-0502	30%	\$41,400	\$27,600	\$69,000
TOTAL	100%	\$138,000	\$92,000	\$230,000

There is no anticipated impact to other operational programs or capital improvement programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



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