

# Agenda Report

August 28, 2017

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ONESOURCE DISTRIBUTORS, TO FURNISH AND DELIVER MISCELLANEOUS ELECTRIC UTILITY PARTS AND MATERIALS**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
2. i) Accept the bid dated June 20, 2017 submitted by OneSource Distributors in response to Specifications LD-17-06 to furnish and deliver electric utility equipment; ii) reject all other bids, and iii) authorize a Purchase Order Contract with OneSource Distributors for an amount not to exceed \$10,500,000 for a period of three years.

**BACKGROUND:**

The purpose of this contract is to furnish the required materials needed by Pasadena Water and Power Department ("PWP") to operate and maintain the electric distribution and transmission system.

Through the normal course of providing electrical service to its customers, PWP requires timely delivery of a variety of parts, material and equipment to maintain a reliable electrical distribution and transmission system, minimize in-house inventory levels, and manage costs.

This contract requires the vendor to provide parts, material and equipment as needed in a timely manner. In addition the vendor will provide restocking services, stock high volume items on their premises, and conduct regularly scheduled meetings with PWP staff to discuss product selection and opportunities for process improvements.

Examples of the items purchased under this contract award are:

- Cable/Wire Connectors
- Cutout Switches
- Equipment Fuses
- Vault Ventilation Equipment & other Materials
- Cable Splices
- Disconnect Switches
- Insulators
- Voltage Regulators
- Construction Tools
- Electrical Conduits
- Pole Top Materials
- Wires for Poles
- Automation Equipment
- Fiber Optic Equipment
- Transformers
- Utility Poles

On May 10, 2017, a Notice Inviting Bids for Specification LD-17-06 to Furnish and Deliver Electric Utility Equipment was published on Planet Bids and posted on the City's web page. The specification consists of 268 line items of varying quantities, with bid prices ranging from as little as \$3.00/item to \$14,000/item. The specification was downloaded by 20 vendors. There were no vendors from Pasadena. Three responsive bids were submitted and opened on June 20, 2017:

Table I – Summary of Bidders and Cost

<b>Vendor, Location</b>	<b>Amount</b>
OneSource Distributors, Buena Park, CA	\$3,479,933.72
WESCO Distributors, Cerritos, CA	\$3,555,425.62
Anixter Inc., Corona, CA	\$3,570,347.21

Staff respectfully recommends that the City Council authorize a Purchase Order ("PO") Contract to OneSource Distributors, since they are the lowest responsive and responsible bidder, for an amount not to exceed \$10,500,000 for a period of three years.

The proposed PO Contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated there under. The proposed contract fully complies with Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 15, 2014.

OneSource Distributors has received three awards since 2015 in an amount totaling \$13,489,330. Staff is not aware of any local Pasadena supplier of major electric utility equipment.

**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:**

The issuance of a PO contract and the appropriation of funding for Electric Utility Equipment is an administrative action that would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

The cost of this action will be \$10,500,000 for a period of three years. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Power Operating Fund 401 Object number 810100. It is anticipated that \$3,500,000 of the cost will be spent during the current fiscal year. The remainder of the costs will be spent over the next two fiscal years.

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

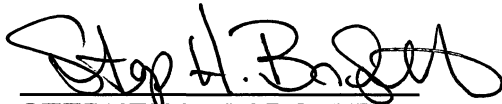
Respectfully submitted,



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Prepared by:



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Approved by:



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STEVE MERMELL  
City Manager