

# Agenda Report

June 11, 2018

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD TO SOUTHWESTERN CLEAN FUELS CORPORATION DBA: CLEAN FUELS INC., FOR FUEL ISLAND MAINTENANCE AND REPAIR SERVICES FOR AN AMOUNT NOT TO EXCEED \$166,776**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have a significant effect on the environment; and
2. i) Accept the bid dated April 10, 2018, submitted by Southwestern Clean Fuels Corporation dba: Clean Fuels, Inc. (Clean Fuels) in response to the specifications to furnish labor and materials for fuel island maintenance and repairs, ii) reject all other bids received, and iii) authorize the City Manager to enter into such contract for an amount not-to-exceed \$166,776 for a three-year period, inclusive of Consumer Price Index increases, and two one-year options in an amount not-to-exceed \$55,592 annually, subject to the approval of the City Manager, for a maximum contract length of five years and a total contract amount of \$277,960.

## **BACKGROUND:**

The Department of Public Works, Building Systems and Fleet Management Division is responsible for the routine maintenance and emergency repair services for the City's four fueling sites located at the Police Department, Fire Station 33, Civil Defense and City Yard. Due to the specialized and technical nature of this work, it is performed by an outside contractor.

The Department of Public Works prepared specifications in accordance with Section 4.08.070 of the Pasadena Municipal Code. On March 15, 2018, a Notice Inviting Bids for Fuel Island Maintenance and Repair was published in the *Pasadena Journal* and

posted on Planetbids, which generated notices to 1,868 vendors of which none were local. Twenty prospective bidders downloaded the bid documents.

Five prospective bidders attended the mandatory pre-bid meeting on March 26, 2018, which was held at the City Yard at which time, prospective bidders had the opportunity to inspect and evaluate the condition of the existing systems and ask questions.

Four vendors submitted bids by the bid closing date of April 10, 2018. The following bids were received:

Bidder	Amount
1. Southwestern Clean Fuels Corp., Monrovia, CA	\$50,592*
2. Verdugo Testing, Co. Inc., Chula Vista, CA	\$55,445
3. Sunwest Engineering Constructors, Inc., Chino, CA	\$64,072*
4. Premier Fueling Services, Inc., La Crescenta, CA	\$97,514

\* Per the Notice Inviting Bids document, section 3.2 Evaluation of Bid, the dollar amount was revised by staff due to a calculation error by bidder on bid sheet.

The Department of Public Works recommends that Clean Fuels be awarded the contract for furnishing labor and materials for fuel island maintenance and repairs for a three-year period as they are the lowest responsive and responsible bidder. As proposed, the contract may be extended for two additional one-year renewal options with the approval of the City Manager. The proposed contract with Clean Fuels fully complies with the Competitive Bidding and Living Wage Ordinances.

The annual contract for this project will be set as follows:

Base Bid	\$50,592
Contingency	<u>\$ 5,000</u>
Contract "Not to Exceed" Amount	\$55,592

The City has done business with Clean Fuels in the past, issuing purchase orders for fuel tank sampling and fuel transfers totaling \$6,210 since fiscal year 1998. Clean Fuels currently provides maintenance services to Los Angeles County Beaches and Harbors, City of Los Angeles General Services, Orange County Public Works and the Federal Aviation Authority.

**COUNCIL POLICY CONSIDERATION:**

This authorization supports the City Council's strategic goal to improve, maintain, and enhance public facilities and infrastructure.

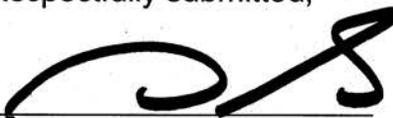
**ENVIRONMENTAL IMPACT:**

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have a significant effect on the environment.

**FISCAL IMPACT:**

The total cost of this action is \$277,960, which includes the possible two-year extension. Funding for this fiscal year will be addressed by utilization of existing budgeted appropriations in the Fleet Maintenance and Repair Fund under budget account 811400-51122058. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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