



Agenda Report

June 3, 2019

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH ARMORCAST PRODUCTS COMPANY AND HUBBELL LENOIR CITY, INC. TO FURNISH AND DELIVER WATER METER BOXES AND VAULTS WITH COVERS FOR AN AMOUNT NOT TO EXCEED \$109,443 AND \$55,020 PER YEAR, RESPECTIVELY

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not considered a "project" per Section 21065 of the California Environmental Quality Act ("CEQA") and is therefore not subject to CEQA review pursuant to Sections 15060 (c)(2), 15060 (c)(3), and 15378 of the CEQA Guidelines; as such, no environmental document pursuant to CEQA is required for the project;
2. Accept the bid dated May 7, 2019 submitted by Armorcast Products Company in response to Specification WD-19-01, to furnish and deliver water meter boxes with covers and water meter vaults with covers for the Water and Power Department ("PWP"), and authorize the City Manager to enter into a purchase order contract with Armorcast Products Company for an amount not to exceed \$109,443 for an initial period of one year with an option for three additional one-year terms of \$109,443 each at the approval of the City Manager; and
3. Accept the bid dated May 7, 2019 submitted by Hubbell Lenoir City, Inc. in response to Specification WD-19-01, to furnish and deliver water meter boxes with covers and water meter vaults with covers for PWP, and authorize the City Manager to enter into a purchase order contract with Hubbell Lenoir City, Inc. for an amount not to exceed \$55,020 for an initial period of one year with an option for three additional one-year terms of \$55,020 each at the approval of the City Manager.

BACKGROUND:

PWP regularly completes projects as identified in the adopted Capital Improvement Program ("CIP"), Water System Master Plan, and other water operations related work. PWP's service territory has 38,046 service connections and each service requires a water meter.

Water meter boxes with covers and water meter vaults with covers protect water meters from damage while providing PWP's crews access for maintenance, reading, and inspection. Water meter boxes are used for meter sizes 5/8" to 2" while water meter vaults are used for meter sizes 3" to 8". There are two types of water meter vaults: meter vaults with two-piece covers and meter vaults with torsion assist frames and covers. Specification WD-19-01 established technical standards for purchase order contracts to furnish and deliver these materials.

The bids were organized into three groups (A, B, and C). Bidders could bid on any or all three of the groups based on the materials they manufacture. Rate payers of the City of Pasadena ("City") benefit from this bidding strategy by choosing the lowest bidder in each of the categories.

The Notice Inviting Bids for Specification WD-19-01 was advertised in the Pasadena Journal and posted online through Planet Bids on April 18, 2019. In addition, Specifications were sent to nine vendors. There are no known water meter boxes and/or water meter vault vendors in Pasadena. A pre-bid conference was not conducted. Two responsive bids were received electronically on May 7, 2019.

The bids were evaluated by multiplying each unit price by the corresponding quantity to determine the item price. The sum of the item prices determine the item totals. The quantities were determined by the frequency with which the corresponding bid items are required by PWP. This evaluation method and estimated quantities were fully disclosed in the Specification.

The bid results are as follows:

Bid Group A: Water Meter Boxes

<u>Bidders</u>	<u>Grand Total Price</u>
1. Armorcast Products Company, North Hollywood, CA	\$74,324.05
2. Hubbell Lenoir City, Inc., Lenoir City, TN	\$78,076.73

Bid Group B: Water Meter Vaults with Two-Piece Covers

<u>Bidders</u>	<u>Grand Total Price</u>
1. Hubbell Lenoir City, Inc., Lenoir City, TN	\$55,020.34
2. Armorcast Products Company, North Hollywood, CA	non-responsive

Bid Group C: Water Meter Vaults with Torsion Assist Frames and Covers

<u>Bidders</u>	<u>Grand Total Price</u>
1. Armorcast Products Company, North Hollywood, CA	\$35,118.59
2. Hubbell Lenoir City, Inc., Lenoir City, TN	non-responsive

Total	\$164,463
Engineer's Estimate	\$200,000

Armorcast Products Company provided a responsive and responsible bid for Groups A and C, and Hubbell Lenoir City, Inc. provided a responsive and responsible bid for Group B. Both bidders comply in all respects with the requirements of the Specification.

The proposed purchase order contracts comply with the Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder. It is recommended that the City Council award two purchase order contracts: one to Armorcast Products Company for an amount not to exceed \$109,443 per year for one year with three optional one-year extensions of \$109,443 each; and one to Hubbell Lenoir City, Inc. for an amount not to exceed \$55,020 per year for one year with three optional one-year extensions of \$55,020 each subject to the approval of the City Manager. Warehouse personnel will monitor contracts spending.

Armorcast Products Company has been awarded competitively-bid purchase order contracts to furnish and deliver water meter boxes and vaults for the past twenty years with a value of \$74,999 or less per year. They did not have a contract in fiscal year 2018. Hubbell Lenoir City, Inc. was awarded competitively-bid purchase order contracts to furnish and deliver water meter boxes and vaults for fiscal years 2018 and 2019 with a value of \$140,628 and \$24,999 per year, respectively.

COUNCIL POLICY CONSIDERATION:

The proposed purchase order contracts are consistent with the City Council Strategic Planning Goal to improve, maintain, and enhance public facilities and infrastructure. It supports PWP's Water System Master Plan adopted by the City Council in 2002 and addresses the establishment of reliable infrastructure for the City's water system.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not a project subject to CEQA in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The authorization of a purchase order contract to furnish and deliver water meter boxes with covers, and a purchase order contract to furnish water meter vaults with covers is needed to maintain the City's water distribution system. The authorization of the proposed purchase order contracts would not commit the City to undertaking or approving any actual or specific physical construction activities or any other actions that involve physical changes to the environment. The proposed purchase order contracts would make these materials available to water infrastructure projects, which would be subject to CEQA consideration. The recommendation action of accepting bids and entering into purchase order contracts for these materials is an administrative action (i.e., purchases for supplies). 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 total cost of this action will be \$437,772 for Armorcast Products Company and \$220,080 for Hubbell Lenoir City, Inc. for the initial year plus three additional one-year terms, if exercised. Funding for this action will be addressed by the utilization of existing budgeted appropriations in CIP #1001 – Distribution Mains, CIP #1002 – Meters and Services, and CIP #1003 – Customer Driven, as well as the utilization of approved appropriations for operating and maintenance of water transmission and distribution systems. It is anticipated that \$164,463 of the cost will be spent in the initial year of the purchase order contracts, which falls in fiscal year 2020.

The following table presents the summary of the purchase order contracts:

	Armorcast Products Company	Hubbell Lenoir City, Inc.	Total
First-year purchase order contract amount	\$109,443	\$55,020	\$164,463
Optional three year extensions	\$328,329	\$165,060	\$493,389
Total amount of purchase order contract	\$437,772	\$220,080	\$657,852

Respectfully submitted,



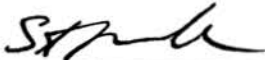
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