

# Agenda Report

November 23, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Water and Power Department

**SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH MATT CHLOR, INC. TO FURNISH AND DELIVER CHLORINE EQUIPMENT PARTS, SERVICE AND REPAIRS FOR THE WATER AND POWER DEPARTMENT**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is not considered a "project" subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required; and
2. Accept the bid dated October 9, 2020 submitted by Matt Chlor, Inc. in response to Specification WD-20-10 to furnish and deliver chlorine equipment parts, service and repairs for the Water and Power Department ("PWP") and authorize the City Manager, or his designee, to enter into a purchase order contract not to exceed \$305,578 for a maximum contract length of five years.

## **BACKGROUND:**

To enhance public safety and high quality drinking water, PWP maintains and operates chlorination equipment and chlorine gas leak detection systems that require routine maintenance and servicing. When failure of any of these critical facilities occurs, timely repair is essential. Specification WD-20-10 provides for a contract to furnish replacement parts such as gaskets and nozzles, chlorine gas leak sensors, and servicing the chlorination equipment.

On October 1, 2020, a Notice Inviting Bids for Specification WD-20-10 was published in the Pasadena Journal as well as posted on PlanetBids. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of seven vendors downloaded the Specifications of which none were local. Only one bid was received on October 14, 2020. Chlorination equipment and gas leak detection assemblies are specialized equipment used for disinfecting drinking water facilities. As a result of this, there is an area distributor who can provide this particular equipment. Other distributors do not have restricted areas and are at liberty

to submit a bid but they usually constrict to provide equipment and services to clients within their area only.

The bid results are as follows:

<u>Bidders</u>		<u>Grand Total Price per Year</u>
Matt Chlor, Inc.	El Monte, CA	\$61,115.47
Engineer's Estimate		\$66,000.00

Matt Chlor, Inc. was the only bidder and complied in all respects with the requirements of the Specifications.

The proposed purchase order contract complies with Competitive Bidding and Purchasing Ordinance as defined in P.M.C. Section 4.08 and the rules and regulations promulgated thereunder. The project was bid as a prevailing wage project and workers employed to perform the specified work will be paid the general prevailing rate of per diem wages as determined by the California Director of Industrial Relations. The project will meet the requirements of prevailing wage law under California Labor Code Sections 1720 through 1861 and Title 8 of the California Code of Regulations.

It is recommended that the City Council award a purchase order contract to Matt Chlor, Inc. for an amount not to exceed \$305,578 for five years for Fiscal Year 2021-2025. The treatment and operations crew supervisor in the Water Division will track and report the contract spending.

Since 2010, the City has awarded Matt Chlor, Inc. 18 contracts, collectively valued at approximately \$525,805, one of which is currently active.

#### **COUNCIL POLICY CONSIDERATION:**

The proposed purchase order contract is consistent with the City Council Strategic Planning Goals to improve, maintain and enhance public facilities infrastructure, and to implement capital improvements that will maintain and rehabilitate infrastructure.

#### **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 establishment of a purchase order contract 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. CEQA Guidelines Section 15378(b)(2) states that continuing administrative or maintenance activities, such as the purchasing of supplies and the maintenance of the existing chlorination facilities provided for in this contract, are not projects under CEQA. 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 environment document is required.

**FISCAL IMPACT:**

The total cost of this action is anticipated to be \$305,578 over a five year period. Funding for this action will be addressed by the utilization of existing and future appropriations in the Water Operating Fund 402, general ledger number 49507430-811400. It is anticipated that \$60,000 will be spent annually and \$33,000 will be spent in the current fiscal year.

Respectfully submitted,

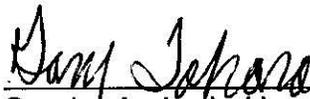


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GURCHARAN S. BAWA  
General Manager  
Water and Power Department

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Prepared by:



for  Sandra Andrade-Hernandez  
Assistant Engineer

Approved by:



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STEVE MERMELL  
City Manager