

Agenda Report

October 19, 2020

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH ORGANIC PLANET TRUCK AND TRANSPORT, INC. AND WEST COAST SAND & GRAVEL, INC. TO FURNISH AND DELIVER ROCK AND BITUMINOUS MATERIALS FOR AN AMOUNT NOT TO EXCEED \$701,961 AND \$373,884 FOR AN INITIAL TERM OF THREE YEARS 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 Public Resources Code Section 21065 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 for the project; and
2. Accept the bid dated September 2, 2020 submitted by Organic Planet Truck and Transport, Inc. in response to Specification WD-20-14, to furnish and deliver rock materials for the Water and Power Department ("PWP"), and authorize the City Manager to enter into a purchase order contract with Organic Planet Truck and Transport, Inc. for an amount not to exceed \$701,961 for an initial term of three years, or until funds are expended, whichever occurs first; with two optional one-year terms of \$233,987 each, or until funds are expended, whichever occurs first. If the two additional one year terms are exercised, the total contract value would be \$1,169,935 for a maximum contract duration of five years; and
3. Accept the bid dated September 2, 2020 submitted by West Coast Sand & Gravel, Inc. in response to Specification WD-20-14, to furnish and deliver bituminous materials for PWP, and authorize the issuance of a purchase order contract with West Coast Sand & Gravel, Inc. for an amount not to exceed \$373,884 for an initial term of three years, or until funds are expended, whichever occurs first; with two optional one-year terms of \$124,628 each, or until funds are expended, whichever occurs first. If the two additional one year terms are exercised, the total contract value would be \$623,140 for a maximum contract duration of five years.

BACKGROUND:

PWP regularly completes water distribution projects as identified in the adopted Capital Improvement Program ("CIP"), Water System Master Plan, Water Integrated Resources Plan, and other water operations and capital improvement related work. Specification WD-20-14 provides for a purchase order contract to furnish and deliver crushed aggregate base, sand, and asphalt cold mix for PWP's Water Division construction crews to back fill excavations in the street after the installation of pipelines and other water facilities.

The bids were categorized into two groups (A and B) to separate the materials. Bidders had an opportunity to bid on one or both groups based on their specialty. The City of Pasadena ("City") benefits from this bidding strategy by choosing the lowest bidder in each of the categories.

On August 20, 2020, a Notice Inviting Bids for Specification WD-20-14 was published in the paper 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 12 vendors downloaded the Specifications of which none were local. A total of three bids were received by September 3, 2020, none from local firms.

Each bid was evaluated by multiplying each unit cost by the corresponding quantity to determine the total. The sum of the totals and the sales tax determines the total for that particular group. This evaluation method and quantities were fully disclosed in the specifications.

The bid results are as follows:

Group A: Rock Materials

<u>Bidders</u>	<u>Grand Total Price</u>
1. Organic Planet Truck and Transport, Inc., Chino, CA	\$233,986.88
2. West Coast Sand & Gravel, Inc., Buena Park, CA	\$239,363.63
3. P.T.I. Sand & Gravel, Inc., Corona, CA	\$289,274.70

Engineer's Estimate for Group A \$267,820

Group B: Bituminous Materials

<u>Bidders</u>	<u>Grand Total Price</u>
1. West Coast Sand & Gravel, Inc., Buena Park, CA	\$124,627.75
2. P.T.I. Sand & Gravel, Inc., Corona, CA	\$151,787.20
3. Organic Planet Truck and Transport, Inc., Chino, CA	\$156,395.00

Engineer's Estimate for Group B \$138,237

Organic Planet Truck and Transport, Inc. provided a responsive and responsible bid for Group A (Rock Materials), and West Coast Sand & Gravel, Inc. provided a responsive

and responsible bid for Group B (Bituminous Materials). Both bidders comply in all respects with the requirements of the specifications.

The proposed purchase order contracts comply with 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 Organic Planet Truck and Transport, Inc. for an amount not to exceed \$701,961 for three years with two optional one-year terms of \$233,987 each; and one to West Coast Sand & Gravel, Inc. for an amount not to exceed \$373,884 for three years with two optional one-year terms of \$124,628 each. PWP Warehouse personnel will monitor the purchase order contracts spending.

Since 2010, the City has awarded Organic Planet Truck and Transport Inc. 18 contracts, collectively valued at approximately \$3,237,662, one of which is currently active. No prior contracts with West Coast Sand & Gravel, Inc. have been awarded.

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 replacement of aging water distribution mains and 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 two purchase order contracts to furnish and deliver materials to the Department's Water Division job sites or other locations within the PWP service territory is a continuing administrative and maintenance activity. 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. 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 is anticipated to be \$1,793,075 which includes the initial term of three years and two optional one-year terms for both contractors, if exercised. Funding for this action will be addressed by the utilization of existing and future budgeted appropriations in CIP 01080 – Distribution Mains, CIP 01081 – Meters and Services, and CIP 01003 and 01082 – Customer Driven. It is anticipated that \$180,000 of the cost will be spent in the current fiscal year.

The following table presents the purchase order contracts summary:

	Organic Planet Truck and Transport, Inc.	West Coast Sand & Gravel, Inc.	Total
Years 1 to 3 initial contract	\$701,961	\$373,884	\$1,075,845
Year 4 optional 1 st extension	\$233,987	\$124,628	\$358,615
Year 5 optional 2 nd extension	\$233,987	\$124,628	\$358,615
Total amount of contract	\$1,169,935	\$623,140	\$1,793,075


Respectfully submitted,



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for 
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