



Agenda Report

July 12, 2021

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: **AUTHORIZE A SERVICE CONTRACT WITH AQUA-SERV ENGINEERS, INC. TO FURNISH AND DELIVER CHEMICAL WATER TREATMENT SERVICES FOR GLENARM POWER PLANT**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that contracting with Aqua-Serv Engineers, Inc. to provide chemical water treatment services for the Glenarm Power Plant is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities) and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances; and
2. i) Accept the bid dated May 20, 2021, submitted by Aqua-Serv Engineers, Inc. in response to Specification to Furnish and Deliver Chemical Water Treatment Service; ii) reject all other bids received; and iii) authorize the City Manager to enter into a contract with Aqua-Serv Engineers, Inc. for a period of five years, not to exceed \$265,580, whichever comes first; and
3. Authorize the City Manager to extend the contract for up to two optional one-year extensions of \$53,116 each for a total value of \$371,812.

BACKGROUND:

The proposed contract supports the chemical water treatment program at the Glenarm Power Plant for treating various cooling water systems, bearing cooling water systems, and gas turbine chilled water systems. The treatment programs are necessary for the operation of the power plant equipment. The programs include handling, monitoring and chemical injection of processed water in order to minimize problems associated with metal corrosion, mineral scale deposits, and microbiological growth to plant equipment. A well maintained water treatment program will ensure efficient and reliable operation of the power generating units.

On April 30, 2021, a Notice Inviting Bids for Specifications to Furnish and Deliver Chemical Water Treatment Services for Glenarm Power Plant was published in *The Pasadena Journal* and *Pasadena Press* and was also 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 22 vendors downloaded the Specifications, of which none were local. Staff conducted research and did not find any local vendors that provide these services. A total of three bids were received by the bid opening date of May 20, 2021, none from local firms. Aqua-Serv Engineers, Inc. was determined the lowest responsive bidder. See Table 1.

Table 1

Vendor	Location	Bid Amount
Aqua-Serv Engineers, Inc.	Fontana, CA	\$53,116.00
San Joaquin Chemicals, Inc.	Fresno, CA	\$53,345.16
ChemTreat, Inc.	Glen Allen, VA	\$62,504.75

It is staff's recommendation to award a five-year contract to Aqua-Serv Engineers, Inc. for a period of five years or an amount not to exceed \$265,580, whichever comes first, with two additional one-year options, each not to exceed \$53,116, subject to the approval of the City Manager. If both options are exercised, the maximum value of the contract would be \$371,812.

The City has not done business with Aqua-Serv Engineers, Inc. in the past five years, and there are currently no active contracts with them.

The proposed contract complies with the Competitive Bidding and Purchasing Ordinance, Pasadena Municipal Code, Chapter 4.08 and the Living Wage Ordinance, Pasadena Municipal Code 4.11.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the Public Facilities Element of the General Plan and supports the Council's goal to improve, maintain and enhance public facilities infrastructures; to provide high level of public service which adds to the quality of life in the City and increase its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from CEQA pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities). Class 1 exempts actions (such as maintenance, repair, operation, etc.) relating to existing facilities where there is negligible or no expansion of an existing or former use. The proposed contract would allow for the operation, repair and maintenance of an existing Water and Power facility. There would be no expansion of use. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The maximum cost of this action will be \$371,812, including two optional one-year extensions. Funding for this action will be addressed by the utilization of existing budgeted appropriations and future appropriations in Power Operating Fund 401 (44205490-811400). It is anticipated that \$53,116 of the cost will be spent during the current fiscal year. The reminder of the costs will be spent over the next six fiscal years. The following table presents a contract summary:

Contract	Term	Total
Base	5 Years	\$265,580
Option 1	1 Year	\$53,116
Option 2	1 Year	\$53,116
Total	7 Years	\$371,812

There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



STEVE MERMELL
City Manager