

Agenda Report

May 23, 2022

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACT WITH S & J SUPPLY CO. INC. TO FURNISH AND DELIVER CEMENT-MORTAR LINED DUCTILE-IRON PIPE FOR AN AMOUNT NOT-TO-EXCEED \$5,261,426

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not 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 for the project; and
2. Accept the bid dated March 22, 2022, submitted by S & J Supply Co. Inc. in response to Specification WD-22-06, to furnish and deliver cement-mortar lined ductile-iron pipe; reject all other bids received; and authorize the City Manager to enter into a purchase order contract with S & J Supply Co. Inc. in an amount not to exceed \$3,156,856 or a period of three-years, whichever occurs first, with the option for two additional extensions of one-year each or an amount not-to-exceed \$1,052,285, whichever occurs first, at the discretion of the City Manager, for a maximum total contract length of five years or a total amount not-to-exceed \$5,261,426.

BACKGROUND:

The Pasadena Water and Power Department ("PWP") regularly completes water distribution projects as identified in the adopted Capital Improvement Program ("CIP"), Water System and Resources Plan, and other water operations-related work. Specification WD-22-06 provides for a contract to furnish and deliver cement-mortar lined ductile-iron pipe to PWP as needed to enable PWP's Water Division construction crews to install pipelines, perform fire protection system upgrades, and other construction and maintenance activities. The contract is also critical to respond to emergency repairs.

On March 3, 2022, a Notice Inviting Bids for Specification WD-22-06 was advertised in the Pasadena Press and Pasadena Journal in addition to being posted online through Planet Bids. Planet Bids generated notices to 812 vendors. A total of 20 vendors downloaded the specification of which none were local. A total of 3 bids were received by the March 22, 2022 bid due date, none from local vendors. A pre-bid conference was not conducted.

The bids were evaluated by multiplying the unit price by the estimated quantity to arrive at a grand total price. The estimated 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:

<u>Bidder</u>	<u>Bid Amount (\$)</u>
S & J Supply Co. Inc., Santa Fe Springs, CA	\$1,052,285
Ferguson Waterworks SoCal, Redondo Beach, CA	\$1,236,129
Core and Main, LP, Valencia, CA	\$2,505,791

S & J Supply Co. Inc. provided the lowest responsive and responsible bid. The proposed purchase order contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder. Staff recommends that the City Council award a purchase order contract to S & J Supply Co. Inc. for an amount not to exceed \$3,156,856 for the initial contract duration of three-years, with the option for two additional one-year extensions, in the annual amount of \$1,052,285, subject to the approval of the City Manager.

S & J Supply Co. Inc. has no former or current contracts with the City. Warehouse personnel will monitor the purchase order spending.

COUNCIL POLICY CONSIDERATION:

The proposed purchase order contract is consistent with the City Council Strategic Planning Goal to improve, maintain, and enhance public facilities and infrastructure. It supports PWP's Water System and Resources Plan adopted by the City Council in 2021 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 the proposed purchase order contract, which would provide for the purchasing of supplies, 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.

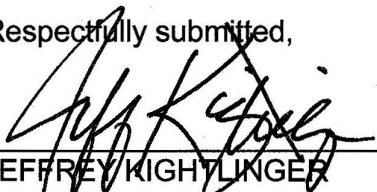
FISCAL IMPACT:

The total cost of this action will be \$5,261,426 over five years, which includes the two additional one-year extensions. Funding for this action will be addressed by the utilization of existing and future appropriations in the Water Capital Fund 412, Capital Improvement Projects 01080 – Distribution Mains and 01082 – Customer Mains, Meters, and Services. It is anticipated that \$1,052,285 will be spent in Fiscal Year 2023. The remainder of the costs will be spent over the next four fiscal years.

The fiscal impact summary is shown below:

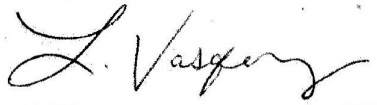
Contract Amount	\$5,261,426
Contract Administration	\$ 10,000
Total Fiscal Impact: Fiscal Years 2023 -2027	\$5,271,426

Respectfully submitted,



JEFFREY KIGHTLINGER
Interim General Manager
Water and Power Department

Prepared by:



Leon Vasquez
Management Analyst I

Approved by:



CYNTHIA J. KURTZ
Interim City Manager