



Agenda Report

January 22, 2024

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH ATLAS PERFORMANCE INDUSTRIES, INC. FOR AN AMOUNT NOT TO EXCEED \$332,750 FOR A NEW 24' X 60' OFFICE TRAILER FOR THE GLENARM POWER PLANT

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities) and Section 15303 (Class 3 – New Construction or Conversion of Small Structures), and that there are no features that distinguish this project from others in the exempt classes and as such there are no unusual circumstances; and
2. Accept the bid dated August 21, 2023, submitted by Atlas Performance Industries, Inc. ("API") in response to Specifications for the procurement of a new office trailer; reject all other bids; and authorize the City Manager, or his designee, to enter into a purchase order contract with API for an amount not to exceed \$332,750, which includes a base contract amount of \$302,500 and a 10% contingency of \$30,250 to provide for any unforeseen change orders.

BACKGROUND:

The City of Pasadena ("City") owns and operates its electric generation facility, the Glenarm Power Plant ("Plant") located east of Fair Oaks Avenue, west of the State Route 110 Freeway and south of Glenarm Street in Pasadena. In 2002, an office trailer was situated at the Broadway Plant to provide necessary office space for the engineering section at the generation facility. During the Glenarm Repowering Project, construction of a building for office and shop space was considered but ultimately scuttled due to the associated costs. Subsequently, in 2019 the instrument shop was vacated when it was determined that the shop needed refurbishment to meet acceptable work standards. The office trailer now serves as office/workshop space for the three displaced members of the Instrument and Controls Team and two Plant engineers. As a result, the currently available workspace designated for both the Plant

Engineers and the Instrument and Controls Section is lacking. The situation has led to a crowded and less than desirable work environment for the two sections. The need for a dedicated work environment for each group has become increasingly apparent and is necessary in order to maximize productivity and ensure the successful execution of future initiatives such as the addition of the new Battery Energy Storage System, which is under Request for Proposal (“RFP”) consideration. The additional trailer will restore the office and workshop space to more acceptable standards expected in today’s work environment.

The temporary and mobile nature of the trailer will also allow for meeting future office space needs at other Pasadena Water and Power Department (“PWP”) locations.

On July 6, 2023, a notice inviting bids to furnish and install a new office trailer for the Plant was posted onto OpenGov. The posting generated notices to vendors previously registered with the City for this particular commodity class. A total of 21 vendors downloaded the Specification, of which none were local vendors. PWP staff is not aware of any local vendors who are capable of providing the materials requested nor the services needed to furnish and install them. A total of two bids were received by the bid closing date of August 21, 2023. The responsive bid results are shown below in Table I.

Table I: Bid Results

Vendor	Location	Bid Amount
Atlas Performance Industries	Santa Maria, CA	\$302,500.00
Global Modular, Inc	Riverside, CA	\$314,000.00

API met the specifications outlined in the bid document and was determined to be the lowest, responsive, and responsible bidder. Over the last five years, the City has awarded no contracts to API. The vendor will be required to post performance and material bonds, pay prevailing/union wages, adhere to a 5% retention, and be liable for liquidated damages as outlined in the contract.

It is recommended that the City Council accept the bid dated August 21, 2023 submitted by API in response to specifications for the labor and materials to provide a new office trailer; reject all other bids received; and authorize the City Manager, or his designee, to enter into a purchase order contract not to exceed \$332,750, which includes the base contract amount of \$302,500 and a 10% contingency of \$30,250 to provide for any necessary change orders.

COUNCIL POLICY CONSIDERATION:

The proposed contract supports the City Council Strategic Planning Goal to improve, maintain, and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

ENVIRONMENTAL ANALYSIS:

The proposed purchase, installation, and operation of a new office trailer for the Plant is

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exempt from CEQA pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities) and Section 15303 (Class 3 – New Construction or Conversion of Small Structures). Class 1 exempts from CEQA the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The proposed new office trailer would be a minor alteration of the existing Power Plant facility, providing only a negligible expansion of the use with a minor increase in onsite office space.

Class 3 exempts from CEQA the construction and location of limited numbers of new small facilities or structures. Part (e) of this exemption specifically includes accessory (appurtenant) structures. The proposed office trailer would be an accessory structure for the Power Plant facility. There are no features that distinguish this project from others in either of the exempt classes and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The maximum cost of this action will be \$332,750. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Power Capital Fund 411. It is expected that \$332,750 will be spent in fiscal year 2024.

The approval of this action will have no impact to other operational programs or capital projects.

Respectfully submitted,

 for

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Water and Power Department

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Approved by:



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City Manager