

# Agenda Report

**TO:** CITY COUNCIL **DATE:** August 3, 1998

**FROM:** CYNTHIA J. KURTZ, ACTING CITY MANAGER

**SUBJECT:** AUTHORIZATION TO ENTER INTO A CONTRACT WITH COOPERATIVE TECHNOLOGIES & SERVICES INT'L. (CTSI CORPORATION) FOR THE DISTRIBUTION OF ULTRA LOW VOLUME TOILETS

## **RECOMMENDATION:**

It is recommended that the Pasadena City Council authorize the General Manager of the Water and Power Department to enter into a contract with CTSI Corporation (CTSI) not to exceed \$276,000 for the distribution of 2,400 Ultra Low Volume (ULV) toilets. The proposed contract is exempt from Competitive Bidding pursuant to City Charter Section 1002(f), contracts for professional or unique services.

## **BACKGROUND:**

On February 23, 1998 the City Council adopted Resolution Number 7593 authorizing the continuation of the ULV Toilet Incentive Program and execution of the associated Metropolitan Water District (MWD) Conservation Credits Agreement. The City Council approved the distribution of 3,000 ULV toilets for Fiscal Year 1997-98 and an expenditure of \$360,000. The overall goal of the program is to continue replacing standard toilets with ULV models, thereby improving water efficiency.

Since April 1991 the Department has successfully distributed 15,500 ULV toilets. This represents 25% of the total toilets in the multi-family and single family dwellings in the Pasadena Water and Power Department service territory. The toilets are given to the Department's water customers free of charge to replace old inefficient toilets.

In prior years, CTSI has assisted several member agencies in the distribution of ULV toilets through local high schools. CTSI has participated in ULV toilet distribution at Pasadena high schools under MWD contracts since 1992. Pasadena schools receive \$15 for each standard toilet replaced by an ULV. The first toilet distribution this year is scheduled for August 15, 1998 at John Muir High School. In all, three Pasadena high schools - Blair, Pasadena, and John Muir will be participating in the program.

Under prior contract approved by the City Council, the City used CTSI, as they were MWD's vendor of choice. However, at the request of the City Council staff undertook a competitive process to hire a service provider the next time the Department needed the service. A Request for Proposal (RFP) was mailed to the five available candidates on June 15, 1998 and was published in the Pasadena Weekly on June 16, 1998. However, there were no other respondents.

Under this contract, CTSI will continue to purchase, warehouse and distribute ULV toilets. MWD's conservation credits to the program will continue at the rate of \$60 per unit installed. The United States Bureau of Reclamation (USBR) will contribute \$48 per unit installed. Since CTSI reduced its distribution price from \$120 per unit to \$115 per unit, the Department's cost will be \$7 per unit instead of \$12. This represents a savings of \$16,800.

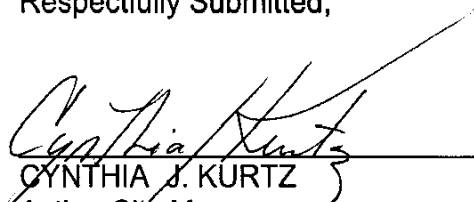
The benefits of utilizing local high schools in the distribution of the ULV toilets are to assist local residents in water conservation, thereby reducing customers' bills and the Department's need to import water to Pasadena; to provide schools with viable fund-raising opportunities; to promote cooperative working relationships among students; and to provide students with experience in program development and implementation.

CTSI has submitted the required affirmative action forms. The proposed contract is in compliance with the Affirmative Action in Contracting Ordinance P.M.C. 4.09, and the Rules and Regulations adopted pursuant to said ordinance.


**FISCAL IMPACT:**

The City Council approved the initial funding for this program of \$360,000 in February 1998. Due to the available funds to credit the Department for this program from Metropolitan Water District and the United States Bureau of Reclamation, and the reduced cost per unit by CTSI Corporation, the cost to the Department is \$16,800 (2,400 units @ \$7). The three high schools will realize a total of \$36,000 (2,400 units @ \$15) from this program.

Respectfully Submitted,

  
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