



Subject: Award of Purchase Order to Cannon Sline Industrial, Inc. for the Painting/Rehabilitation of Clarifier Tanks

Council Agenda: 10/18/2011
Item: 2.10

City Council Action Request

Department: Finance	CEQA: Not a Project, File No. PP10-066(c)	Coordination: Environmental Services, City Attorney's Office, City Manager's Budget Office On October 13, 2011, the Treatment Plant Advisory Committee is scheduled to consider this item.	CMO Approval: 
			Dept. Approval: /s/ Julia Cooper

RECOMMENDED ACTION:

Adopt a resolution authorizing the City Manager to:

- a) Execute a Purchase Order with Cannon Sline Industrial, Inc. (Long Beach, CA) for the painting and rehabilitation of the first five of 25 secondary clarifier tanks at the Water Pollution Control Plant (WPCP) for the period October 1, 2011 through September 30, 2012, in an amount not to exceed \$449,578.
- b) Execute additional purchase orders as required to complete the painting and rehabilitation of the remaining 20 tanks, at a fixed price per tank as established by a competitive bid, over a four year period ending September 30, 2016, subject to the appropriation of funds.
- c) Execute change orders for contingencies not to exceed \$50,000 for any unforeseen changes or requirements that may arise prior to the completion of services.

Desired Outcome: Increase the life expectancy of the metal components within the clarifier tanks, therefore increasing the useful life of the tanks.

BASIS FOR RECOMMENDATION:

Clarifier tanks are an essential part of Water Pollution Control Plant (WPCP) operations, and are used to separate biomass solids from the processed liquids, leaving clean water for use in the recycled water service district. As part of ongoing maintenance at the Plant, it is required that these tanks be rehabilitated and painted on a five year cycle.

A Request for Bid was issued on May 31, 2011, through the City's e-procurement system. The bid specification included a maintenance schedule to service the tanks over a five year period, and required bidders to submit a fixed price bid for each tank. 30 companies downloaded the Request for Bid, eight companies attended the mandatory pre-bid conference and site visit at the Plant, and six bids were received by the June 23, 2011, due date. Cannon Sline Industrial submitted the lowest responsive and responsible bid.

No protests were received during the protest period which ended on July 5, 2011.

Pursuant to Municipal Code Section 4.12.310, recommendation of award is to Cannon Sline Industrial as the lowest bidder.

Office of Equality Assurance: Living Wage or Prevailing Wage, whichever is higher, is applicable to work under this purchase order.

COST AND FUNDING SOURCE:

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: The total cost for the initial Purchase Order is \$499,578
2. SOURCE OF FUNDING: 513- San José-Santa Clara Treatment Plant Operating Fund, Environmental Services Department Non-Personal –Equipment appropriation. The 2011-2012 Adopted Operating Budget for this appropriation is \$25.5 million.

FOR QUESTIONS CONTACT: Mark Giovannetti, Purchasing Division Manager 408-535-7052