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Title: Actions pertaining to Golden Bell Products, Inc., (“Golden Bell”) as the Service Provider to purchase Insecta Access Structure Coating (Citywide):

1. RESOLUTION - Adopt a resolution authorizing an exception to the formal bidding procedures and award a Sole Source Purchasing Agreement with Golden Bell
2. Approve a multi-year sole source purchasing agreement with Golden Bell for the annual purchase and Citywide application of Insecta cockroach pesticide in identified City sanitary sewer access structures, in a total amount not to exceed \$99,000 per year
3. Authorize the Director of Public Utilities, or designee, to execute a multi-year sole source purchasing agreement with Golden Bell for the annual purchase and Citywide application of Insecta cockroach pesticide in identified City sanitary sewer access structures, in a total amount not to exceed \$99,000 per year for the next four years, with provisions for three one-year extensions.

Sponsors: Department of Public Utilities

Indexes:

Code sections:

Attachments: 1. Attachment 1 - Sole Source Resolution.pdf, 2. Attachment 2 - Sole Source Memorandum.pdf, 3. Attachment 3 - Product and Service Agreement.pdf

Date	Ver.	Action By	Action	Result
6/8/2023	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

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SUBJECT

Actions pertaining to Golden Bell Products, Inc., (“Golden Bell”) as the Service Provider to purchase *Insecta* Access Structure Coating (Citywide):

1. RESOLUTION - Adopt a resolution authorizing an exception to the formal bidding procedures and award a Sole Source Purchasing Agreement with Golden Bell
2. Approve a multi-year sole source purchasing agreement with Golden Bell for the annual purchase and Citywide application of *Insecta* cockroach pesticide in identified City sanitary sewer access structures, in a total amount not to exceed \$99,000 per year

3. Authorize the Director of Public Utilities, or designee, to execute a multi-year sole source purchasing agreement with Golden Bell for the annual purchase and Citywide application of *Insecta* cockroach pesticide in identified City sanitary sewer access structures, in a total amount not to exceed \$99,000 per year for the next four years, with provisions for three one-year extensions.

RECOMMENDATION

Staff recommends City Council adopt the Resolution for a multi-year sole source purchasing agreement with Golden Bell in the annual amount not to exceed \$99,000 for the purchase and application of *Insecta* over the next four years, with provisions for three one-year extensions thereafter; approve a multi-year sole source purchase agreement with Golden Bell; and authorize the Director of Public Utilities, or designee, to sign and execute all documents on behalf of the City of Fresno (City).

EXECUTIVE SUMMARY

The Wastewater Management Division's Collection System Maintenance (CSM) workgroup requests City Council adopt the Resolution authorizing an exception to the formal bidding procedures and award Sole Source Purchasing Agreement with Golden Bell and approve a multi-year sole source agreement with Golden Bell for the annual purchase and application of *Insecta*, an insecticide used to target cockroach populations, in City-owned sanitary sewer access structures ("manholes").

No other available products have been found to be as effective and for as long as *Insecta*, and Golden Bell is the sole distributor authorized to sell and licensed to apply the product in the State of California until the year 2030. Based on historical data, approximately 3,800 access structures are to be treated every year at an estimated annual cost of \$99,000. At this rate, each three-year cycle will account for the treatment of approximately 50 percent of all City-owned sewer access structures throughout the system.

BACKGROUND

The City is comprised of approximately 1,600 miles of sewer mainlines, 24,720 sewer access structures, and 145,000 residential, commercial, and industrial private service connections; cockroaches use these service connections to access residential and business structures. The moist and nutrient-rich environment of these sewer assets creates a utopia for cockroach populations. Because of the cockroach's ability to transmit bacteria and disease, in addition to frequent customer service requests on the matter, abatement is a priority for CSM. Traditional methods for control are not feasible due to reapplication duration and effectiveness; in seeking alternate options for abatement, it was discovered that other insecticide options were not only less effective but required more frequent reapplication, ranging from every 30 - 90 days.

Because traditional methods are not feasible, CSM recommends the continued use of *Insecta*, an EPA-registered product that is sold and applied exclusively by Golden Bell. *Insecta* is an insecticide that is impregnated into latex paint and sprayed onto the walls of the sewer access structures to prevent the proliferation of cockroaches immediately and long-term. *Insecta* has proven to be an effective means of cockroach abatement in sewer access structures through internal in situ testing conducted over a three-year span, which CSM has found to be the demonstrated duration of efficacy.

The product is only available from Golden Bell, as they are the sole distributor with the application rights and the required licensing to apply the *Insecta* product in the State of California until the year 2030. CSM has attempted to locate other vendors, however no other vendors are permitted to apply this product in the State of California (per the sole source justification letters from both the Supplier and the Manufacturer), and there are no comparable products available on the market able to meet the City's needs.

The current combined cost of the product and its application is \$26.00 per sewer access structure. CSM's cockroach control Program, in place since Fiscal Year 2013, targets approximately 3,800 access structures per year at the current cost of \$99,000 annually. At this rate, the Program will have treated approximately 50% of the City sewer access structures every three-year cycle.

This multi-year sole source purchasing agreement covers a four-year allowance with Golden Bell, with provisions for three one-year extensions thereafter. Annual funding for this work comes from the CSM Operations and Maintenance budget; future purchases under this resolution will be included in future CSM fiscal year budgets.

City Attorney has reviewed the agreement and approved as to form.

ENVIRONMENTAL FINDINGS

Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378, this item is not a project for the purposes of CEQA.

LOCAL PREFERENCE

Local preference was not implemented because the memorandum is a sole source agreement.

FISCAL IMPACT

There is no impact to the General Fund. Work done by Golden Bell occurs Citywide. Appropriations for this work are included in the Fiscal Year 2023 Collection System Maintenance Operations and Maintenance Budget within the Sewer Enterprise Fund (40501); future annual purchases will be included in future fiscal year budgets. This is a four-year sole source purchasing agreement with provisions for three one-year extensions thereafter.

Attachments:

Attachment 1 - Sole Source Resolution

Attachment 2 - Sole Source Memorandum

Attachment 3 - Product and Service Agreement