



January 12, 2017

To: Transit Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Agreement for Replacement of Heating and Ventilation Units at Garden Grove Bus Base Maintenance Building Shop

Overview

The Orange County Transportation Authority's Board of Directors approved the replacement of heating and ventilation units at the Garden Grove Bus Base maintenance building shop as part of the Orange County Transportation Authority Fiscal Year 2016-17 Budget. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. Board of Directors' approval is requested to execute the agreement.

Recommendations

- A. Find K & J Air Conditioning Incorporated, the apparent low bidder, as non-responsive due to the failure to meet the federal requirement for Disadvantaged Business Enterprise participation.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1399 between the Orange County Transportation Authority and Western Air Conditioning Company Incorporated, the lowest responsive, responsible bidder, in the amount of \$290,000, for replacement of heating and ventilation units at Garden Grove Bus Base maintenance building shop.

Discussion

The Orange County Transportation Authority (OCTA) completed construction of the Garden Grove Bus Base in 1976. In 2001, OCTA incorporated liquefied natural gas buses into its fleet operating out of the Garden Grove Bus Base. Facility modifications were performed in 2001 for compatibility with the use of natural gas-powered buses, including installation of rooftop heating and ventilation units at the Garden Grove Bus Base maintenance building shop. The existing heating and ventilation units serving the maintenance shop are

beyond their useful life and require replacement. The project consists of replacement of the seven heating and ventilation units, adding fused electrical disconnect switches at each unit, and related work. The heating and ventilation units replacement that is required to maintain code compliance will increase energy efficiency and provide an improved work environment for bus maintenance staff.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors-approved procedures for public works projects. These procedures, which conform to both federal and state requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process.

Invitation for Bids (IFB) 6-1399 was released on September 21, 2016, through OCTA's CAMM NET system. The project was advertised on September 22 and 27, 2016, in a newspaper of general circulation. A pre-bid conference and job walk were held on September 29, 2016, and were attended by five firms. Two addenda were issued to provide the pre-bid conference registration sheets and handle administrative issues related to the IFB. On October 20, 2016, three bids were received and publicly opened.

All bids were reviewed by staff from the Contracts Administration and Materials Management and Rail Programs and Facilities Engineering departments to ensure compliance with the bid terms and conditions, and technical specifications. The list of bidders and bid amounts are presented below:

<u>Firm and Location</u>	<u>Bid Amount</u>
K & J Air Conditioning Incorporated Buena Park, California	\$252,770
Western Air Conditioning Company Incorporated Rancho Cucamonga, California	\$290,000
RT Contractor Corporation Garden Grove, California	\$420,000

The apparent low bidder, K & J Air Conditioning Incorporated, was found non-responsive due to the inability to secure the required Disadvantaged Business Enterprise (DBE) participation or demonstrate sufficient good faith

efforts as required by the United States Department of Transportation regulations, which is providing funding for this project.

The engineer's estimate for this project was \$255,000. The recommended firm's bid is 12 percent above the engineer's estimate. This is due to the requirements for coordination, and phasing and staging in a natural gas fuel equipment environment. Staff has compared the engineer's estimate to the bid proposal and determined that the bid proposal is within acceptable tolerances in costs for required coordination, phasing and staging, crane lifting and hoisting, and mechanical equipment costs. Western Air Conditioning Company Incorporated met the requirements of the IFB, as well as all federal and state requirements, including the DBE participation goal. Therefore, after completing a cost analysis of the bid components, staff considers the bid to be fair and reasonable to meet the requirements of this essential transit maintenance facility project.

State law requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Western Air Conditioning Company Incorporated, the lowest responsive, responsible bidder, in the amount of \$290,000, for the replacement of heating and ventilation units at Garden Grove Bus Base maintenance building shop.

Fiscal Impact

The project was approved in the OCTA Fiscal Year 2016-17 Budget, Capital Programs Account 1722-9022-D3122-0AL, and is funded through Federal Transportation Administration Section 5307 Preventative Maintenance Grant Funds.

Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-6-1399 between the Orange County Transportation Authority and Western Air Conditioning Company Incorporated, the lowest responsive, responsible bidder, in the amount of \$290,000, for replacement of heating and ventilation units at the Garden Grove Bus Base maintenance building shop.

Attachment

None.

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