



March 12, 2020

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer *[Signature]*

Subject: Agreement for Replacement of Heating, Ventilation, and Air Conditioning Units at the Garden Grove Bus Base Maintenance Building

Overview

As a part of the Orange County Transportation Authority's Fiscal Year 2019-20 Budget, the Board of Directors approved the replacement of heating, ventilation, and air conditioning units at the Garden Grove Bus Base maintenance building. Bids were received in accordance with the Orange County Transportation Authority's public works procurement procedures. Approval from the Board of Directors is requested to execute the agreement.

Recommendations

- A. Find GM Climate Control, Inc., the apparent low bidder, as non-responsive for failure to meet the federal requirement for Disadvantaged Business Enterprise participation.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1696 between the Orange County Transportation Authority and Golden Gate Steel, Inc., doing business as Golden Gate Construction, the lowest responsive, responsible bidder, in the amount of \$254,250, for the replacement of heating, ventilation, and air conditioning units at the Garden Grove Bus Base maintenance building.

Discussion

The Orange County Transportation Authority (OCTA) completed construction of the Garden Grove Bus Base in 1976. The heating, ventilation, and air conditioning (HVAC) units serving the maintenance building's second floor offices and conference rooms were originally installed in 1991 as part of a facility modification project. The HVAC units were last replaced in 2006, and each unit

has exceeded its useful life and requires replacement. The project scope includes replacement of three HVAC units, installation of seismic-rated equipment curbs and related modification of supports, electrical disconnect switches, natural gas valves and piping, roof repair, and related work in the active maintenance building work environment. The HVAC equipment replacement is necessary and 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 state and federal requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process.

Invitation for Bids (IFB) 9-1696 was released on November 1, 2019, through OCTA's CAMM NET system. The project was advertised on November 1 and 5, 2019, in a newspaper of general circulation. A pre-bid conference and job walk was held on November 6, 2019, and was attended by four firms. Three addenda were issued to provide the pre-bid conference registration sheets and handle administrative issues related to the IFB. On December 3, 2019, three bids were received and publicly opened.

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

<u>Firm and Location</u>	<u>Bid Amount</u>
GM Climate Control, Inc. North Hollywood, California	\$196,100
Golden Gate Steel, Inc. dba Golden Gate Construction Norwalk, California	\$254,250
Metro Builders & Engineers Group, Ltd. Newport Beach, California	\$341,550

The apparent low bidder, GM Climate Control, Inc., was found non-responsive due to the inability to secure the required Disadvantaged Business Enterprise (DBE) participation or sufficiently demonstrate good faith efforts as required by the United States Department of Transportation, which is providing funding for the project.

The recommended firm's bid is nine percent above the engineer's estimate of \$233,000 for this project. Staff conducted a cost analysis of the bid components and determined that the total bid amount is competitive after consideration of the nature of the work, phasing and safety requirements for removals and installation of new equipment in the active bus maintenance building environment, specialty subcontractor availability, and overall market conditions. The analysis revealed that specialty subcontractor costs for roofing and electrical were underestimated for the job. Golden Gate Steel, Inc., dba Golden Gate Construction (Golden Gate Construction) is a certified DBE contractor and met the requirements of the IFB, as well as all federal and state requirements.

State law requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Golden Gate Construction, the lowest responsive, responsible bidder, in the amount of \$254,250, for the replacement of heating ventilation and air conditioning units at the Garden Grove Bus Base maintenance building.

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2019-20 Budget, Capital Programs, Account 1722-9022-D3122-058, and is funded by Federal Transit Administration Section 5337 State of Good Repair Grant Funds, Account 0030-6049-D3122-MJK.

Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1696 between the Orange County Transportation Authority and Golden Gate Steel, Inc. dba Golden Gate Construction, the lowest responsive, responsible bidder, in the amount of \$254,250, for the replacement of heating, ventilation, and air conditioning units at the Garden Grove Bus Base maintenance building.

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Conditioning Units at the Garden Grove Bus Base Maintenance
Building**

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Attachment

None.

Prepared by:



George Olivo, P.E.
Program Manager
(714) 560-5872

Approved by:



James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646



Virginia Abadessa
Director, Contracts Administration and
Materials Management
(714) 560-5623