



# OPERATIONS COMMITTEE

Administration Building  
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## Agenda Report

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**File #:** 2021-1431

**Agenda Date:** 9/6/2023

**Agenda Item No:** 2.

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**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Director of Engineering

**SUBJECT:**

**CENGEN AND 12KV SERVICE CENTER SWITCHGEAR BATTERY SYSTEM UPGRADES AT PLANT NO. 1, PROJECT NO. FR1-0005**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Cengen and 12kV Service Center Switchgear Battery System Upgrades at Plant No. 1, Project No. FR1-0005;
- B. Award a Construction Contract to Mass Electric Construction Co. for Cengen and 12kV Service Center Switchgear Battery System Upgrades at Plant No.1, Project No. FR1-0005, for a total amount not to exceed \$970,000; and
- C. Approve a contingency of \$97,000 (10%).

**BACKGROUND**

The battery systems at the Central Generation (CenGen) Building and the 12kV Service Center at Orange County Sanitation District (OC San) Plant No. 1 provide low voltage power to the protection and monitoring devices located in the switchgears in these two buildings. The switchgear in these buildings distribute 12kV power throughout Plant No. 1 and are critical to the plant operation.

**RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Commitment to safety & reducing risk in all operations

**PROBLEM**

The batteries are over 30 years old and are at the end of their useful life. The battery chargers at both locations are obsolete.

**PROPOSED SOLUTION**

Award a construction contract for CenGen and 12kV Service Center Switchgear Battery System Upgrades at Plant No.1, Project No. FR1-0005. This project will replace the two existing battery banks at Cengen and replace the single battery bank at the 12kV Service Center with two battery banks, to provide battery system redundancy.

**TIMING CONCERNS**

The battery systems are at risk of failing due to aging and signs of corrosion. .

**RAMIFICATIONS OF NOT TAKING ACTION**

A failure of the 12kV Service Center battery system will result in no protection of the 12kV circuits leaving the building to feed plant loads. A failure with a Cengen battery system will result in no protection of half of the 12kV circuits leaving the building to feed plant loads.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised Project No. FR1-0005 for bids on May 2, 2023 and two sealed bids were received on June 20, 2023. A summary of the bid opening follows:

Engineer's Estimate	\$ 800,000
<u>Bidder</u>	<u>Amount of Bid</u>
Mass Electric Construction Co.	\$ 970,000
LEED Electric, Inc.	\$ 1,098,888

The bids were evaluated in accordance with OC San's policies and procedures. OC San staff met with the lowest bidder since the bids exceeded the Engineer's Estimate. After meeting with the Contractor to review the cost estimate, staff determined that the primary difference is attributed to the unit price, labor, and installation for the HVAC mechanical system. Additionally, the engineer's estimated labor hours were low compared to the contractor bids.

A notice was sent to all bidders on August 21, 2023 informing them of the intent of OC San staff to recommend award of the Construction Contract to Mass Electric Construction Co.

Staff recommends awarding a Construction Contract to the lowest responsive and responsible bidder, Mass Electric Construction Co., for a total amount not to exceed \$970,000.

**CEQA**

The project is exempt from CEQA and a Notice of Exemption will be filed with the OC Clerk-Recorder after OC San Board of Directors award of the Construction Contract.

**FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This recommendation will be funded under the Repairs and Maintenance line item for the Operations and Maintenance Department (Budget Update Fiscal Year 2023-2024, Page 39), and the available funding is sufficient for this action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Construction Contract