



OPERATIONS COMMITTEE

Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433

Agenda Report

File #: 2024-3532

Agenda Date: 4/3/2024

Agenda Item No: 3.

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

SUBJECT:

POWER BUILDINGS 7 AND 8 HVAC REPLACEMENT AT PLANT NO. 1, PROJECT NO. FE23-08

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order and a Master Turnkey Agreement with Trane U.S. Inc. for the Power Buildings 7 and 8 HVAC Replacement at Plant No. 1, Project No. FE23-08, utilizing the OMNIA Partners Cooperative Purchasing Agreement, Contract No. 3341, for a total amount not to exceed \$687,708; and
- B. Approve a contingency of \$34,386 (5%).

BACKGROUND

Orange County Sanitation District's (OC San) Power Buildings 7 and 8 at Plant No. 1 utilize two heating, ventilation, and air conditioning (HVAC) units to maintain climate control and humidity for critical electrical equipment. Power Building 7 supplies electrical power to the primary clarifiers and Phys Chem Polymer Station, while Power Building 8 feeds all trickling filters and support equipment. Both buildings' units have reached the end of life.

RELEVANT STANDARDS

- 24/7/365 treatment plant reliability
- Maintain a proactive asset management program
- Comply with environmental permit requirements
- Participate in local, state, and national cooperative purchasing programs

PROBLEM

The existing HVAC and condensing units have reached the end of their useful life.

PROPOSED SOLUTION

Replace the in-kind HVAC units through a Master Turnkey Agreement with Trane U.S. Inc. utilizing the OMNIA Partners Cooperative Purchasing Agreement Contract No. 3341. The approval of this Master Turnkey Agreement is a cost-effective way to replace the equipment in a timely manner.

TIMING CONCERNS

If this action is delayed, OC San will continue to be vulnerable to the loss of electrical equipment within the two buildings that power critical treatment processes.

RAMIFICATIONS OF NOT TAKING ACTION

Process equipment failures can cause plant disruptions and delays which can lead to regulatory permits compliance issues.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San is utilizing a cooperative agreement through OMNIA Partners, formerly U.S. Communities, which is the largest cooperative purchasing organization for public sector procurement. This agreement was awarded using a competitive bid process similar to OC San's and has been vetted by the Purchasing Division. The collective buying power of the unified purchasing cooperatives typically deliver value and savings for public agencies nationwide.

Trane U.S. Inc. was selected to propose on this cooperative agreement because they can provide equipment that matches the existing and fits within the existing footprint. They also provide the equipment at discounts of up to 65% of the list price.

Staff evaluated the proposal in accordance with OC San's policies and procedures and, based on these results, recommends approving the Purchase Order and a Master Turnkey Agreement with Trane U.S. Inc.

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. A Notice of Exemption will be filed with the OC Clerk-Recorder after OC San Board of Directors approval of the Agreement.

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San’s Purchasing Ordinance. This item has been budgeted (Budget Update, Fiscal Year 2023-2024, Appendix A-8, Small Construction Projects Program, Project No. M-FE) and the budget is sufficient for the recommended action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
04/24/2024	\$687,708	\$34,386 (5%)

ATTACHMENT

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

- Master Turnkey Agreement

RM:kp:ls