

# Orange County Sanitation District



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## Agenda Report Details (With Text)

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**Title:** HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. P1-128A  
**Sponsors:** Kathy Millea  
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Date	Ver.	Action By	Action	Result
5/26/2021	1	BOARD OF DIRECTORS		

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

### SUBJECT:

### HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. P1-128A

### GENERAL MANAGER'S RECOMMENDATION

#### RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Headquarters Complex at Plant No 1, Project No. P1-128A;
- B. Award a Construction Contract to Swinerton Builders for Headquarters Complex at Plant No 1, Project No. P1-128A, for an amount not to exceed \$102,544,974; and
- C. Approve a contingency of \$5,127,249 (5%).

### BACKGROUND

Orange County Sanitation District (OC San) has been pursuing a project to address code-compliance, permitting, and condition problems with existing occupied spaces at Plant No. 1 for a number of years. In June 2015, the Board of Directors established the project and budget for Headquarters Complex, Site and Security, and Entrance Realignment Program, Project No. P1-128, based on the results of the Administrative Facilities Implementation Plan.

In June 2018, the Board of Directors designated a property located on the north side of Ellis, across from Plant No. 1, as the preferred location for the new Headquarters Building, with a pedestrian/utility

bridge to Plant No. 1.

## **RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsible bidder
- Provide a safe and collegial workplace

## **PROBLEM**

Current OC San administrative and engineering staff are dispersed throughout Plant No. 1 and at a nearby office building, which is not conducive to effective organization functionality. Over 100 staff are located in approximately 40,000 square feet of aging temporary trailers. Additionally, the Administration Building, Human Resources Building, and several temporary trailer complexes have significant code compliance issues, lack building permits with the City of Fountain Valley, and are in need of extensive maintenance rehabilitation.

An Administrative Facilities Master Plan, completed in January 2014, evaluated the repair versus replacement options for the existing buildings and trailers at Plant No. 1. Most buildings and all trailers will realize the end of their useful life within a 30-year planning horizon. The study estimated the repair of the existing facilities and uncoordinated replacement at the end of the useful life of each building to be more expensive and more disruptive over the long term and had significantly more risk due to the unknown conditions in the structures. Keeping staff spread throughout multiple buildings is not conducive to a collaborative work environment.

Additionally, the 2017 Facilities Master Plan identified the need for additional land area for future treatment process needs at the Reclamation Plant No. 1 site.

## **PROPOSED SOLUTION**

Award a Construction Contract for Headquarters Complex at Plant No. 1, Project No. P1-128A. This project will construct a new Headquarters Complex that will allow for the consolidation of administrative staff into a single three-story, 110,000 square foot office building adjacent to Plant No. 1 on the north side of Ellis Avenue. The building will have space for approximately 350 staff as well as a Board Room and public meeting spaces. Surface parking and a pedestrian/utility bridge over Ellis Avenue to Plant No. 1 will also be built.

## **TIMING CONCERNS**

If work does not proceed on the Headquarters Complex, then alternatives to rehabilitate the existing buildings, replace existing trailers, and replace buildings that reach the end of their useful life in a 30-year planning window would have to be implemented at an overall higher life-cycle cost.

## **RAMIFICATIONS OF NOT TAKING ACTION**

OC San has committed to the City of Fountain Valley to bring its Administration Building and Human Resource Buildings into code compliance. The City agreed to defer enforcement until the buildings could be replaced. If the structures were not replaced, OC San would be obligated to perform the upgrades, which a previous study had concluded would not be cost effective in the long term.

## PRIOR COMMITTEE/BOARD ACTIONS

N/A

## ADDITIONAL INFORMATION

Due to the unique and special requirements to construct a Headquarters Complex, OC San staff determined that prequalification of contractors was necessary. The prequalification allowed OC San to determine, in advance, that the potential bidders were responsible, have relevant experience, and are capable of constructing the project. This process resulted in competitive bids and a reduction of risks associated with the evaluation process to determine the lowest responsive and responsible bidder.

On October 12, 2020, OC San issued a Public Invitation to Prequalify to Bid for Construction of Headquarters Complex at Plant No. 1 (Invitation to Prequalify). The Invitation to Prequalify instructed contractors to submit completed Prequalification Packages for OC San to evaluate and determine which contractors were prequalified and thereby eligible to submit a bid for the Project.

On November 23, 2020, OC San received Prequalification Packages from 13 firms and, after evaluations, on December 23, 2020 staff recommended proceeding with the prequalification of the following eight firms:

- Bernards Bros., Inc.
- Clark Construction Group - California, LP
- McCarthy Building Companies, Inc.
- PCL Construction Services, Inc.
- S.J. Amoroso Construction Co. LLC
- Swinerton Builders
- Turner Construction Company
- Webcor Construction, LP

On January 29, 2021, OC San issued bid documents to the eight prequalified firms and on April 27, 2021, five sealed bids were received. A summary of the bids follows:

Engineer's Estimate	\$103,134,000
<u>Bidder</u>	<u>Amount of Bid</u>
Swinerton Builders	\$102,544,973.30
PCL Construction Services, Inc.	\$104,013,613.00
McCarthy Building Companies, Inc.	\$105,946,504.00
Bernards Bros., Inc	\$108,309,000.00
S.J. Amoroso Construction Co. LLC	\$112,977,000.00

The bids were evaluated in accordance with OC San policies and procedures. A notice was sent to all the bidders on May 11, 2021 informing them of the intent of OC San to recommend award of the construction contract to Swinerton Builders.

Staff recommends awarding a Construction Contract to the lowest responsive bidder, Swinerton Builders, for Headquarters Complex at Plant No.1, Project No. P1-128A, for a total amount not to exceed \$102,544,974.

## **CEQA**

The project is included in the Addendum to the City of Fountain Valley "Fountain Valley Crossings Specific Plan" Program Environmental Impact Report, State Clearinghouse No. 2015101042.

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2020-2021 and 2021-22, Section 8, Page 58, Headquarters Complex, Project No. P1-128) and the budget is sufficient for the recommended 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
- Presentation 05/26/2021 Steering Committee

TG:dm