

Agenda Report

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FROM: James D. Herberg, General Manager
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SUBJECT:

12KV DISTRIBUTION B AND EAST RAS PUMP STATION ROOFING REPLACEMENT, PROJECT NO. FE18-19

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Receive and file Bid Tabulation for 12kV Distribution B and East RAS Pump Station Roofing Replacement, Project No. FE18-19;
- B. Reject single low bid from H2M Construction, Inc. as non-responsive; and
- C. Authorize the Purchasing Manager to conduct a Negotiated Procurement for a construction contract for 12kV Distribution B and East RAS Pump Station Roofing Replacement, Project No. FE 18-19, in accordance with Purchasing Ordinance No. OCSD-52.

BACKGROUND

The 12kV Distribution B and East RAS Pump Station buildings provide electrical power to critical operating facilities at Orange County Sanitation District (Sanitation District) Plant No. 2.

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 12kV Distribution B and East RAS Pump Station buildings were built in 1977 and are currently experiencing roof leaks. Staff has been protecting electrical equipment using temporary measures.

The Sanitation District advertised for bids and only one sealed bid was received. The Sanitation District's evaluation team determined this bid was non-responsive based on not meeting the minimum experience requirements.

PROPOSED SOLUTION

Reject the single bid as non-responsive. Since no valid bids were received, authorize the Purchasing Manager to conduct a negotiated procurement per Sanitation District's Purchasing Ordinance No. OCSD-52. The negotiated procurement should result in a construction contract subject to award by the Board of Directors.

TIMING CONCERNS

Delaying the construction contract will directly lengthen the time that a leaking roof could cause damage to electrical equipment.

RAMIFICATIONS OF NOT TAKING ACTION

The construction of this project will be deferred and electrical equipment will continue to be at risk of damage.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The Sanitation District advertised 12kV Distribution B and East RAS Pump Station Roofing Replacement, Project No. FE18-19, for bids on January 10, 2020. A single, sealed bid was received on February 13, 2020.

Engineer's Estimate	\$662,100
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<u>Bidder</u>	<u>Amount of Bid</u>
H2M Construction, Inc.	\$658,000

The bid was evaluated in accordance with the Sanitation District's policies and procedures. The evaluation concluded that H2M Construction, Inc. did not meet the experience requirements for projects of similar cost and complexity, nor for a public owner. A notice was sent to H2M Construction, Inc. on February 27, 2020 informing them of the bid rejection.

Pursuant to Ordinance No. OCSD-52, Section 5.02.A.(1).(c), when the Sanitation District does not receive valid bids for a particular project, the Sanitation District's Board of Directors may authorize the Purchasing Manager to conduct a negotiated procurement and present his or her recommendation to the Board for approval. A Negotiated Procurement is defined as a selection process whereby the Purchasing Manager identifies one or more prospective contractors of his or her choice and negotiates with one or more of them.

Staff has developed a list of three contractors currently working on Sanitation District projects who expressed interest in providing bids for this project. Pursuant to Board approval of the negotiated procurement, staff intends to contact the three contractors on the list and obtain comparative pricing. After completion of the negotiations, staff will bring this item back to the Operations Committee and

the Board of Directors for approval and award of the construction contract.

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Sections 15301 because the project involves repairs, replacement, and or minor alteration of existing facilities involving no expansion of use or capacity. A Notice of Exemption will be filed with the OC Clerk-Recorder after the Sanitation District's Board of Directors approves the construction contract.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (Budget Update, FY 2019-20, Appendix A, Page A-8, Small Construction Projects Program, Project M-FE) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A

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