



## Legislation Details (With Text)

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**Title:** Actions pertaining to an award of a construction contract to R&H Industries dba Best Electric of Gardena, California in the amount of \$692,300 for the emergency generator upgrade at Fresno City Hall (bid file No. 3314) (Council District 3)

1. Adopt finding of a Categorical Exemption per staff determination, pursuant to Section 15301 (a) of the California Environmental Quality Act (CEQA) Guidelines
2. Award a construction contract with R&H Industries dba Best Electric of Gardena, California in the amount of \$692,300 for the emergency generator upgrade at Fresno City Hall

**Sponsors:** Public Works Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 121814 Fully signed Bid Eval and Fiscal Impact Statement.pdf

Date	Ver.	Action By	Action	Result
2/5/2015	1	City Council	approved	Pass

## REPORT TO THE CITY COUNCIL

**February 5, 2015**

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## SUBJECT

Actions pertaining to an award of a construction contract to R&H Industries dba Best Electric of Gardena, California in the amount of \$692,300 for the emergency generator upgrade at Fresno City Hall (bid file No. 3314) (**Council District 3**)

1. Adopt finding of a Categorical Exemption per staff determination, pursuant to Section 15301(a) of the California Environmental Quality Act (CEQA) Guidelines
2. Award a construction contract with R&H Industries dba Best Electric of Gardena, California in the amount of \$692,300 for the emergency generator upgrade at Fresno City Hall

## RECOMMENDATIONS

Staff recommends that City Council:

1. Adopt finding of a Categorical Exemption per staff determination, pursuant to Section 15301(a) of the CEQA Guidelines.
2. Award a construction contract with R&H Industries dba Best Electric of Gardena, California in the amount of \$692,300 for the emergency generator upgrade at Fresno City Hall, and allow the Public Works Director, or his designee, to sign on behalf of the City.

## EXECUTIVE SUMMARY

The Emergency Generator Upgrade at Fresno City Hall is part of the immediate repair needs, as identified in the assessment that was required for the Fiscal Year 2010 Lease Revenue Bonds. The upgraded emergency generator will support all lighting, data, and cooling/heating equipment (currently not on backup power) within the Information Services Department (ISD) as well as power to Utility Billing & Collection ("UBC") payment center and seven (7) equipment rooms throughout City Hall. The emergency generator will also support the telephone system for at least 48 hours in the event of a PG&E power failure.

## BACKGROUND

On May 19, 2009 the consulting engineering firm of Lawrence Nye Andersen Associates provided the City of Fresno with an "Emergency Generator Study of the Fresno City Hall." This study concluded that an additional 350KW emergency generator should be added to Fresno City Hall in order to meet current and anticipated City Hall needs. The study also stated that the goal in adding an additional emergency generator is to support all lighting, data, and cooling/heating equipment within ISD for at least 48 hours if there should be a PG&E power failure. In an attempt to reduce costs the decision to replace the existing 200KW generator with a new 550KW generator was made.

On May 10, 2010 Council approved the issuance of revenue lease bonds which included an amount for the "Replacement of the City Hall Backup Generator."

Following the bond issuance, in accordance with AO6-19, staff advertised and hired Hardin-Davidson Engineering for the design of plans and general construction documents for the replacement upgrade of the emergency generator. The Notice Inviting Bids was published in the Business Journal on January 17, 2014, seven (7) sealed bid proposals were received and opened in a public bid opening on February 18, 2014. A bid appeal was received on March 20, 2014 and an appeal hearing was scheduled for April 17, 2014. On June 19, 2014 Council approved an amendment to Fresno Municipal Code Section 4-108, subsection (d), which increased the level of local preference from 0.5% to 5% for public work of improvements. Therefore, Council rejected all bids on June 26, 2014 and directed staff to issue a new bid based on the local preference change.

Plans and specifications were updated to the new 2013 California Building Code and a Notice Inviting Bids was published in the Business Journal on October 31, 2014, and posted on the City's website and faxed to ten (10) building exchanges. The specifications were distributed to eleven (11) prospective bidders. Six (6) sealed bid proposals were received and opened in a public bid opening on December 2, 2014 with the bids ranging from \$692,300 to \$997,000.

On December 23, 2014 the Purchasing Department received a request for a formal appeal hearing from the apparent second lowest responsive and responsible bidder Davis Moreno Construction, Inc. An appeal hearing was set for January 22, 2015 at 10:00 a.m. On January 22, 2015 at 9:30 a.m. the Purchasing Department received a withdrawal of the protest to award to R&H Industries dba Best Electric from Davis Moreno Construction, Inc.

Staff is recommending award of a construction contract to R&H Industries dba Best Electric in the amount of \$692,300 for the Emergency Generator Upgrade at Fresno City Hall and to authorize the Public Works Director, or his designee to sign and execute the standardized contract on behalf of the City of Fresno.

## **ENVIRONMENTAL FINDINGS**

Staff has performed a preliminary environmental assessment of this project and has determined that it falls within the Categorical Exemption set forth in CEQA Guidelines Section 15301(a) (Existing Facilities). This exemption applies because this project involves the replacement of the existing generator with a new generator. Staff determined under the CEQA Guidelines this project fits within the definition of existing facilities in 15301(a) Class 1, as Categorically Exempt from further CEQA review. Furthermore, Staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

## **LOCAL PREFERENCE**

Local preference was not implemented because the local business' bid exceeds the preference allowed under FMC Section 4-108(d). The new local preference does not change the outcome of the lowest responsive and responsible bidder. The second lowest bidder's amount was more than 5% higher than the first lowest bidder; there was more than a \$25,000 difference in proposed amounts.

## **FISCAL IMPACT**

The project, which is located in Council District 3, will not have any impact to the General Fund. Total project funding of \$834,300 is provided through Fiscal Year 2010 Revenue Lease Bonds.

### **Attachments:**

Bid Evaluation

Fiscal Impact Statement