

April 20, 2006

Honorable Mayor and Members of
The Hermosa Beach City Council

Regular Meeting of
April 25, 2006

**PROJECT NO. CIP 05-645 POLICE DEPARTMENT HVAC UPGRADES
AWARD CONSTRUCTION CONTRACT**

Recommendation:

It is recommended that the City Council:

1. Authorize the award of construction contract for the Police Department HVAC Upgrades to Rusher Air Conditioning of Torrance, California, in the amount of \$165,165, creating CIP 05-645 Police Department HVAC Upgrades;
2. Authorize transfer of funds totaling \$137,110 from Building Maintenance, 2nd Street Resurfacing, Re-roofing of City buildings, Concrete Repairs at Various Locations and 20th Street, Valley to Power;
3. Authorize appropriation of \$48,055 from the Equipment Replacement Fund;
4. Authorize the Mayor to execute and the City Clerk to attest the Contract subject to approval of the City Attorney; and
5. Authorize the Director of Public Works to issue change orders up to \$20,000.

Background:

The City Clerk received one bid by the closing date of April 18, 2006. The bid was publicly opened and read aloud. The result was as follows:

<u>Company</u>	<u>Bid Amount</u>
Rusher Air Conditioning	\$165,165.00

The proposed work consists of repair and replacement of the existing Heating, Ventilation and Air Condition systems. The contractor is required to provide adequate ventilation with fans or other cooling equipment while the Police Department remains occupied.

Analysis:

Only one bid was received for this project. Staff contacted several mechanical contracting firms during the bid period to encourage additional bidders. The only other bidder that picked up the plans, ACME Heating and Air Conditioning Company, Inc., did not bid and indicated that they had other more pressing matters to attend to on the day of the bid. Staff also contacted Athena Engineering, Inc., which indicated interest, but did not pick up a bid package due to excessive business volume. Another firm that saw the project advertised at McGraw Hill indicated that the project was too small compared to the type of work it typically bid on.

The Police Department HVAC system is at the end of its useful life and is in serious need of replacement. Last year, the City spent over \$20,000 in emergency repairs to the system in order to maintain operation during the summer months. Staff considered the option of rejecting the bid and re-bidding the project, however the delay would likely result in additional costs for repairs during a re-

bid and award process and potential loss of air conditioning at the Police Department during the hot summer months.

Staff reviewed the low bidder's documents and found them to be in order. Reference calls were supportive of the contractor's work habits.

Staff, therefore, recommends award of this contract to Rusher Air Conditioning in the amount of \$165,165.

The construction contract and contingency, total \$ 185,165.

Please note that on April 20, 2006 Staff was advised by the repair company that the compressor handling the air conditioning for the jail area can no longer be repaired.

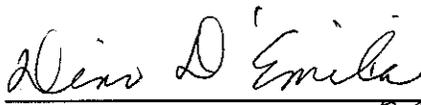
Fiscal Impact:

The original estimate for this project was \$40,000, determined in fiscal year 03-04 and at that time it was not considered to be a capital improvement project. Time, weather and in-depth investigation of the condition of the equipment in question have resulted in the increase over the original estimate. Staff proposes to fund this project using funds remaining from completed projects in the following manner:

DESCRIPTION	AMOUNT	FROM ACCOUNT NO.	TO ACCOUNT NO.
Building Maintenance	26,620	001-4204-4201	001-8645-4201
Pier, Phase 3 – General Fund	9,650	001-8630-4201	001-8645-4201
2 nd Street Resurfacing	41,000	301-8108-4201	301-8645-4201
Concrete Repairs	8,140	301-8113-4201	301-8645-4201
20 th St., Valley to Power	42,000	301-8115-4201	301-8645-4201
Re-Roofing of City Buildings	9,700	301-8633-4201	301-8645-4201
Equipment Replacement Fund	48,055		715-8645-4201
Total	185,165		

Respectfully submitted,

Concur:

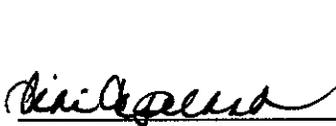


Dino D'Emilia
Interim CIP Manager



Richard D. Morgan
Director of Public Works/City Engineer

Noted For Fiscal Impact:



Viki Copeland
Finance Director



Stephen R. Burrell
City Manager