



CITY COUNCIL AGENDA REPORT

MEETING DATE: June 6, 2006

ITEM NUMBER:

SUBJECT: REPLACE CONDENSER PIPES AT CITY HALL - 77 FAIR DRIVE - CITY PROJECT NO. 06-04

DATE: MAY 18, 2006

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: WILLIAM J. MORRIS, DIRECTOR OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: ERNESTO MUNOZ, CITY ENGINEER, (714) 754-5343

RECOMMENDATION:

1. Award a construction contract to Refrigerated Air Mechanical Systems, 2050 S. Loara Street, Anaheim, CA 92802, in the amount of \$52,900.
2. Authorize the Mayor and the City Clerk to execute the Public Works Agreement.

BACKGROUND:

Each year the Maintenance Services Division and the City's HVAC (Heating, Ventilation, and Air Conditioning) service provider perform a survey of all City HVAC systems. As a result of this survey, the City is provided with a comprehensive analysis of future maintenance and replacement needs. The condenser pipes located in the basement area of City Hall have been identified as needing replacement due to severe corrosion. This system has well exceeded its life expectancy.

The scope of work for this project includes all engineering, design, labor, materials, and equipment to replace the condenser pipes at City Hall per the specifications.

ANALYSIS:

The City Clerk received and opened three (3) bids for this project on April 10, 2006. Refrigerated Air Mechanical Systems was the apparent low bidder with a total bid proposal of \$52,900. The Engineer's bid estimate was \$55,000; and the average of the three (3) bids received amounted to \$63,205. An analysis of the bids indicates that the apparent low bidder submitted a proposal that is 3.8 percent lower than the Engineer's estimate. The Bid Abstract is included as "Attachment 1."

The license and references of Refrigerated Air Mechanical Systems were checked and staff has found them to be in good standing. Refrigerated Air Mechanical Systems successfully completed the replacement of the HVAC unit on the second floor of City Hall in 2004.

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to reject all the bids. If all the bids are rejected, the City would have to readvertise or cancel the project. Staff believes that readvertising the project will not result in lower bids.

FISCAL REVIEW:

The City Council approved funding in the Fiscal Year 2004-05 Budget in the amount of \$55,000 for the replacement of the condenser pipes at City Hall.

The purchase requisition for this expenditure, included as "Attachment 2," has been approved by the Finance Department acknowledging the availability of the funds.

LEGAL REVIEW:

Refrigerated Air Mechanical Systems has furnished the necessary bonds and insurance, which were approved as to form by the City Attorney's office. After the award and subsequent execution of the contract, a "Notice to Proceed" will be issued.

CONCLUSION:

It is recommended that the City Council award the contract to Refrigerated Air Mechanical Systems in the amount of \$52,900; and authorize the Mayor and the City Clerk to execute the Public Works Agreement.

ERNESTO MUNOZ
City Engineer

WILLIAM J. MORRIS
Director of Public Services

MARC R. PUCKETT
Director of Finance

ATTACHMENTS: "1" [Bid Abstract](#)
"2" [Purchase Requisition](#)

DISTRIBUTION: City Manager
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City Clerk
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