

City of La Palma

Agenda Item No. 8



MEETING DATE: November 17, 2020

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBMITTED BY: Mike Belknap, Community Services Director

AGENDA TITLE: Award of Contract to Inter-Pacific, Inc., dba Inter-Pacific Systems, Inc. for the City Hall Electrical Upgrades Project, City Project No. 20-BLDG-05

RECOMMENDED ACTION:

It is recommended that the City Council take the following actions:

- a) Reject the low bidder, GA Technical Services, without prejudice, due to an error in their bid; and
- b) Approve Award of Contract in the amount of \$349,900.00 to the low bidder, Inter-Pacific, Incorporated for the City Hall Electrical Upgrades Project, City Project No. 20-BLDG-05; and
- c) Authorize additional project funding in the amount of \$192,395 from the Capital Outlay Reserve.

SUMMARY:

As technology has increased over the years, so has the requirement for increased electrical loads on the existing City Hall, Police Department and Fire Department facilities. To fully rewire the Civic Center is cost prohibitive, but providing a phased project approach creates projects that will address today's electrical demands of the Civic Center along with future needs. Completion of this project allows the City the time necessary to continue planning and funding for a new City Hall in the future.

Staff initiated plan development that included an electrical load analysis. The load analysis determined the transformer size, future generator size, main panel size and conduit/conductor size. With this in mind, staff developed a scope of work for electrical improvements as Phase 1 of the project. The Phase 1 improvements encompass the following:

1. Installation of a new and more powerful Southern California Edison electrical transformer.

2. Installation of a new main electrical panel, sized to the new transformer with a properly sized automatic transfer switch for a new generator.
3. Installation of new conduits and conductors from the new main electrical panel to each sub-panel in City Hall, Police Department, and Fire Department.

On October 7, 2020, the City advertised and solicited bids for the City Hall Electrical Upgrades Project, City Project No. 20-BLDG-05. Staff directly emailed to the Notice Inviting Bids to the fifteen (15) general contractors along with posting the project on the City’s website, posting on e-bid boards, and the Dodge Greensheet. On October 22, 2020, a mandatory pre-bid meeting was scheduled and ten (10) contractors attended. An addendum was issued re-scheduling a new bid opening date of November 3, 2020, as requested by interested contractors, to allow more time to develop competitive bids.

On November 3, 2020, the City received six (6) bids and opened, as follows:

BIDDING CONTRACTOR	BID
1. Inter-Pacific, Inc. – Tustin, CA	\$349,900.00
2. Eco Energy Solutions, Inc., dba High Volt Electric – Chatsworth, CA	\$381,660.00
3. KP Electric Company, Inc. – Buena Park, CA	\$390,000.00
4. J. Kim Electric, Inc. – Fullerton, CA	\$453,590.00
5. LJB Construction, Inc. – Norwalk, CA	\$877,700.00
6. GA Technical Services, Inc. – Upland, CA	Withdraw w/o Prejudice

The initial apparent low bidder, GA Technical Services submitted the required documents with their bid. In reviewing their bid, which was \$179,373.01 less than the next lowest bidder (Inter-Pacific, Inc.), staff contacted GA Technical Services. After clarification, GA Technical Services requests that their bid be withdrawn from consideration as they misinterpreted the bid sheet and did not include the costs to purchase the necessary equipment, conduits and conductors to complete the project (Attachment 2). Therefore staff recommends withdrawing GA Technical Services bid submittal from consideration without prejudice.

Staff completed a bid document and bid schedule analysis with the remaining bidders and identified Inter-Pacific as the low responsible bidder. Inter-Pacific bid submittal package was complete and in compliance with the instructions to bidders.

The table below presents the total project cost with the bid alternate, including a five percent contingency.

DESCRIPTION	AMOUNT
Construction Cost	\$349,900.00
Contingency 5%	\$ 17,495.00
Total Estimated Project Construction Cost	\$367,395.00

Approval of the agenda item also authorizes the expenditure of all available contingencies in the project. The contingencies will be available for any necessary change orders associated with unforeseen circumstances. Examples include additional removals for unforeseen conditions, replacement quantities not identified in the scope of work for the project, or any other miscellaneous repairs necessary to complete the project. Said circumstances are typical for this type of project. The contingency amount is proposed at five percent (5%) of the construction cost. The contract may be increased a maximum of twenty-five percent (25%) per the Standard Specifications for Public Works Construction, otherwise known as the “Greenbook.”

Inter-Pacific Inc. has performed several electrical improvement projects for various Southern California agencies, and their work product was satisfactory. Completed public projects include the City of Pico Rivera, Saddleback College, Orange County Water District, and Temecula Valley Unified School District.

TENTATIVE SCHEDULE:

Given the size and scope of the three concurrent Civic Center improvement projects (City Hall HVAC, City Hall ADA Restroom Refurbishment) and this electrical project, staff is preparing to relocate City Hall staff to the Community Center. Doing so will protect staff’s safety and allow for work to proceed during regular business hours. The City Council Chambers will still be available for their meetings. All three project timelines will be coordinated to begin on February 1, 2021 with anticipated completion on April 30, 2021.

Award contract	November 3, 2020
Execute agreement	November 4, 2020
Equipment Procurement Phase	November 3 to January 31, 2021
Construction Phase - Begins	February 1, 2021
Construction Completion	April 30, 2021
Project closeout	June 1, 2021

FISCAL IMPACT:

Since the start of the Covid-19 Pandemic, manufacturing costs have significantly increased due to availability and shipping. The City Engineer in his role for other agencies has seen bids for construction projects considerably increased for this reason along with prevailing wage requirements for public projects. Although we’re seeing increased prices for construction, the City has achieved significant savings from the City’s recent street projects. This has allowed Measure M, SB 1, and Gas Tax funds to be solely used without the use of Capital Outlay Reserve funding.

The FY 2020-21 Capital Improvement Budget allocated \$175,000 for this project in COR (035-900-8866-00000). To complete the project an additional allocation of \$192,395 is necessary, also to be funded from COR. Current fund balance for COR is \$5.2 million. There is sufficient funding in COR to fund this project and it will be included in the mid-year budget resolution.

APPROVED:



Department Director



Financial Consultant



City Manager

Attachment:

1. Agreement with Inter-Pacific, Incorporated