

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 1/9/2019

**Staff Report No.** 19-018

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**TO:** AC Transit Board of Directors

**FROM:** Michael A. Hursh, General Manager

**SUBJECT:** Central Maintenance Facility Boiler Replacement, Construction Contract Award

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider approving the award of a firm-fixed price construction contract to Bay City Engineering Company, Inc., in the amount of \$654,245, for the replacement of the heating system boilers at the Central Maintenance Facility.

#### **BUDGETARY/FISCAL IMPACT:**

The District received four bids in response to this Invitation for Bid. All four bids were well below the independent cost estimate prepared by STV, Inc. as part of the design package. Two of the bids were determined to be non-responsive because they failed to meet the minimum Small Business Enterprise goal established by AC Transit's Contract Compliance group for this project. The contract will be funded by \$654,245 in District Capital from the existing Capital Improvement Program.

#### **BACKGROUND/RATIONALE:**

This contract is to replace CMF boilers that provide heat for the maintenance areas within CMF. The project will replace the existing gas water boilers installed in 1984. These boilers failed emissions testing required under Bay Area Air Quality Management District (BAAQMD) regulations (Regulation 9-7), and a notice of violation was issued by the BAAQMD.

The District retained Architectural & Engineering (A&E) consultant, STV, Inc. to assess the existing boilers to determine if they could be modified to meet current emissions standards, or if they needed to be replaced. The assessment determined the boilers are at the end of their life expectancy and cannot be modified to meet current air quality standards. Accordingly, the assessment stated that replacement is necessary and provided several replacement alternatives. Staff has evaluated the replacement options and selected the best option for the District.

This contract will result in a firm-fixed price contract with an approximate six-month period of performance. Upon evaluation, Bay City Engineering Company, Inc. was determined to be the lowest priced responsive and responsible bidder.

The District's Contracts Compliance Officer has determined a 15% small and/or disadvantaged business goal.

**Table 1. Procurement Timeline**

<b><u>ACTION</u></b>	<b><u>DATE</u></b>
Solicitation Issued	10/25/2018
Pre-Bid meeting and job walk	11/5/2018, and 11/19/2018
Bid Due date	12/7/2018
Evaluations Complete	12/18/2018

**Table 2. Vendor Metric**

<b><u>METRIC</u></b>	<b><u>VALUE</u></b>
Number of SBE / DBE firms solicited	634
Number of respondent firms	4
Number of firms determined to be Responsive and Responsible	2

**Table 3. Bid Results (responsive and responsible)**

<b><u>FIRM/AMOUNT</u></b>	
Bay City Engineering Co., Inc.	\$654,245
Mesa Energy Services, Inc.	\$798,504

**ADVANTAGES/DISADVANTAGES:**

The installation of the boilers will address regulatory compliance issues, which resulted in a notice of violation from the Bay Area Air Quality Management District. There are no disadvantages in implementing this boiler replacement project.

**ALTERNATIVES ANALYSIS:**

Staff issued an on-call tasking to an A&E firm to evaluate the possibility of repairing the existing units to meet emissions compliance standards. The A&E analysis determined that repair of the existing units would not bring the units into regulatory compliance and, therefore, was not a feasible option.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

Staff Report 18-018, February 14, 2018 Solicitation for Central Maintenance Boiler Replacement

**ATTACHMENTS:**

None

**Approved by:**

Ramakrishna Pochiraju, Executive Director of Planning & Engineering

**Reviewed by:**

Denise C. Standridge, General Counsel

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