

**City of Culver City, California
Agenda Item Report**

Meeting Date: 10/14/2013		Item Number: <u>C-2</u>	
CITY COUNCIL AGENDA ITEM: Approval of a Professional Services Agreement with ACCO Engineered Systems for the Replacement of the AJAX and Raypak Boilers and Storage Tanks Located at City Hall in an Amount Not-to-Exceed \$72,152 (\$65,593 for the Base Contract and \$6,559 in Change Order Authority).			
Contact Person/Dept.: Eric Mirzaian/PW		Phone Number: (310) 253-6410	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification (E-mail) Meetings and Agendas-City Council (10/08/13); ACCO Engineered Systems (10/7/2013)			
Department Approval: Charles D. Herbertson (10/03/13)		City Attorney Approval: Carol Schwab (by H. Baker) (10/03/13)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (10/08/13)		City Manager Approval: John M. Nachbar (10/08/13)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve a professional services agreement with ACCO Engineered Systems (ACCO) for the removal and replacement of the boiler and storage tank units at City Hall in an amount not-to-exceed \$72,152 (\$65,593 for the base contract and \$6,559 in Change Order authority). <u>BACKGROUND:</u> The boiler and storage tanks at City Hall are original to when the facility was constructed in 1995. The units consist of a vintage AJAX boiler that supplies heating to the facility and a Raypak boiler that is a smaller unit used to supply hot water. In addition to requiring ongoing maintenance and repair, the units are no longer compliant with air quality regulations and mandates set forth by the South Coast Air Quality Management District (AQMD). In fact, at the AQMD's request, the units have been retrofitted with meters that do not allow them to exceed allowable BTU levels thus preventing them from providing the optimal heating needs for the facility. Based on a facility assessment study conducted on all city-owned facilities in 2006, the expected useful life (EUL) of boiler units is 15-20 years. Thus, these units are reaching the conclusion of their EUL.			

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DISCUSSION:

Public Works Staff has determined that it is no longer cost effective to regularly maintain the existing boiler and storage tank units and that a complete replacement of the units is a more viable option especially with the opportunity to replace them with units that fully comply with the AQMD's mandates. The proposed work will include the removal and disposal of the existing AJAX and Raypak units, the installation of required electrical service, piping and drains; and the installation of a new Raypak boiler and storage tank.

Public Works Staff received the following quotes for this work:

ACCO Engineered Systems.....	\$65,593.00
R.F. MacDonald Company.....	\$73,640.00
Southland.....	\$85,600.00

Culver City Municipal Code Sections 3.07.080 and 3.07.085 provide exemption from the formal bidding process for supplies; and personal and professional services respectively, and only requires the award of the contract be based upon competitive quotations from no less than three vendor contractors whenever practical. Per Section 3.07.085.B.5, this project falls under the category of personal services, which includes the repair and maintenance of City-owned personal property. Therefore, an informal bidding process was used in which staff requested companies to supply a quote to perform the needed repairs. The Public Works Department has utilized the services of ACCO for similar projects including the boiler and chiller replacement at the Veteran's Memorial Auditorium. Because the bid from ACCO represents the best value for the City in terms of both supplies and labor, staff recommends the City Council award the contract to ACCO.

FISCAL ANALYSIS:

There are sufficient funds available in the Capital Improvement Project PZ-132, Building Repairs (4280000.730100.PZ132), to cover the requested repairs.

ATTACHMENTS:

None.

MOTION:

That the City Council:

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1. Approve a professional services agreement with ACCO Engineered Systems in the amount of \$65,593.00 for the removal and replacement of the existing boiler and storage tanks at City Hall; and,
2. Authorize the Public Works Director/City Engineer to approve change orders in an amount not-to-exceed \$6,559.00; and,
3. Authorize the City Attorney to review/prepare the necessary documents; and
4. Authorize the City Manager to execute such documents on behalf of the City.