



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Katy Allen

**SUBJECT:** EMERGENCY GENERATORS  
INSTALLATION PROJECT

**DATE:** 04-20-09

Approved

*Diana J. Allen*

Date

*4/23/09*

**COUNCIL DISTRICT:** Citywide

## RECOMMENDATION

Report on bids and award of contract for the Emergency Generators Installation project to the low bidder, Bayside Equipment Company, to include the base bid and Add Alternate No. 1 in the amount of \$165,332, and approval of a contingency in the amount of \$24,800.

## OUTCOME

Approval of the construction contract to Bayside Equipment Company will allow the Emergency Generators Installation Project to move forward into the construction phase. Approval of the contingency will provide funding for any unanticipated work necessary for the completion of the project.

## BACKGROUND

The current generator capacities at three City of San José radio sites—Cadwallader reservoir (4560 Cadwallader Ave.), Eagle Rock (4040 Claitor Way), and West Yard (5285 Doyle Road) need additional capacity to sustain the operation of public safety radio systems during a prolonged power outage.

Installation of the county-wide ECOMM microwave system has added extra load to the existing electrical system and emergency generators, beyond their current capacities. The ECOMM microwave system provides wider area radio coverage for San José Police, Fire and other Public Safety agencies. Replacement of these generators provides needed reliability to the primary public safety communications systems in the event of major emergencies.

In addition to the base bid scope of work, there is one Add Alternate bid item as follows:

Add Alternate No. 1: The lump sum cost for design, supply and installation of New Emergency Generator (35 KVA) and all required associated systems at West Yard project site is \$54,082.50.

The new system shall meet all applicable codes and standards and be operable with the existing system.

Installation will begin in June, with completion expected in December 2009.

**ANALYSIS**

Bids were opened on February 5, 2009 with the following results:

<u>Contractors</u>	<u>Base Bid</u>	<u>Add Alt. No. 1</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/ (Under) Percent</u>
Rodan Builders, Inc (Belmont)	\$246,787.00	\$119,387.00	\$366,174.00	\$156,174.00	74
Pleasanton Engineering Contractor, Inc. (Pleasanton)	196,000.00	97,000.00	293,000.00	83,000.00	40
Blocka Construction (Fremont)	148,000.00	72,000.00	220,000.00	10,000.00	5
<b>Engineer's Estimate</b>	<b>140,000.00</b>	<b>70,000.00</b>	<b>210,000.00</b>	---	---
Avalon Construction Company (San Francisco)	141,900.00	65,800.00	207,700.00	(2,300.00)	(1)
ERBCO . (Pacific Grove)	135,845.15	67,432.43	203,277.58	(6,722.42)	(3)
Harrington Electrical (San Bruno)	126,800.00	63,000.00	189,800.00	(20,200.00)	(10)
Bayside Equipment Company (Redwood City)	111,249.50	54,082.50	165,332.00	(44,668.00)	(21)

Seven bids were received for the project of which four were below the Engineer's Estimate. The low bid was submitted by Bayside Equipment and is 21 percent below the Engineer's Estimate.

Within the five working days after the bid opening, the third low bidder (ERBCO) submitted a written bid protest to the City stating that the two low bids submitted by Harrington Electric and Bayside Equipment Company were not responsive because they did not include a licensed design professional in their submitted list of subcontractors.

The protest is without merit since this project is a design-build project. The project specifications require design work to be performed by Professional Engineers and Architects licensed in the State of California. In relevant part, the subcontractor listing requirements state that the bidder must list a subcontractor that (1) will perform work or labor or render service to the contractor in or about the construction of the work or improvement, or (2) will specially fabricate and install a portion of the work or improvement according to detailed drawings contained in the plans and specifications. The listing requirements are clearly aimed at protecting persons involved in the construction of the project. A design professional does not

fall into the class of persons that must be listed under the subcontractor listing requirements.

The contract amount is less than \$1,000,000 and in normal circumstances, the Director of Public Works has the authority to award the contract. However, because of the bid protest, staff recommends that the City Council award the construction contract for the project to the low bidder, Bayside Equipment Company.

Council policy provides for a standard contingency of 15 percent on public works renovation projects. The standard contingency is appropriate for this project.

### **EVALUATION AND FOLLOW-UP**

No further Council follow-up is anticipated.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This project does not meet any of the Criteria listed above but due to the bid protest this memorandum will be posted on the City's website for the May 12, 2009 Council agenda.

To solicit contractors this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid notifications for all Department of Public Works construction projects are routinely provided to a standard list of various contractor organizations, builder's exchanges.

### **COORDINATION**

This project and memorandum have been coordinated with the Departments of Emergency Services, Finance, the City Manager's Budget Office and the City Attorney's Office.

### **FISCAL/POLICY ALIGNMENT**

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

**COST SUMMARY/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$165,332
 

Project Delivery	\$24,800
Construction	165,332
Contingency (15%)	24,800
<b>TOTAL PROJECT COSTS</b>	<b>\$214,932</b>
Prior Year Expenditures	0
<b>REMAINING PROJECT COSTS</b>	<b>\$214,932</b>
  
2. COST ELEMENTS OF AGREEMENT/CONTRACT:  
 This is a lump-sum contract.
  
3. SOURCE OF FUNDING: 001 – SUASI Federal Grant (Equipment Funding)
  
4. OPERATING COSTS: The proposed operating and maintenance costs of this project have been reviewed and will have no significant adverse impact on the General Fund operating budget.

**BUDGET REFERENCE**

The table below identifies the funds and appropriations proposed to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2008-2009 Adopted Operating Budget (Page)	Last Budget Action (Date, Ord. No.)
<b>Remaining Project Costs</b>				<b>\$214,932</b>			
<b>Current Funding Available</b>							
001	3606	2007 Super Urban Area Security Initiative (SUASI) - OES	420100	\$437,836	\$50,000	IX-15	10/21/2008, Ord. No. 28422
001	3390	Emergency Response and Preparedness	009714	\$473,000	\$164,932	IX-15	10/21/08, Ord. No. 28422
<b>Total Current Funding Available</b>				<b>\$910,836</b>			
<b>Total Funding for Remaining Project Costs</b>					<b>\$214,932</b>		

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**CEQA**

CEQA: Exempt, PP09-028 (Eagle Rock Site)  
Exempt, PP09-029 (West Yard Site)  
Exempt, PP09-030 (Cadwallader Site)

NEPA: Pending



KATY ALLEN

Director, Public Works Department

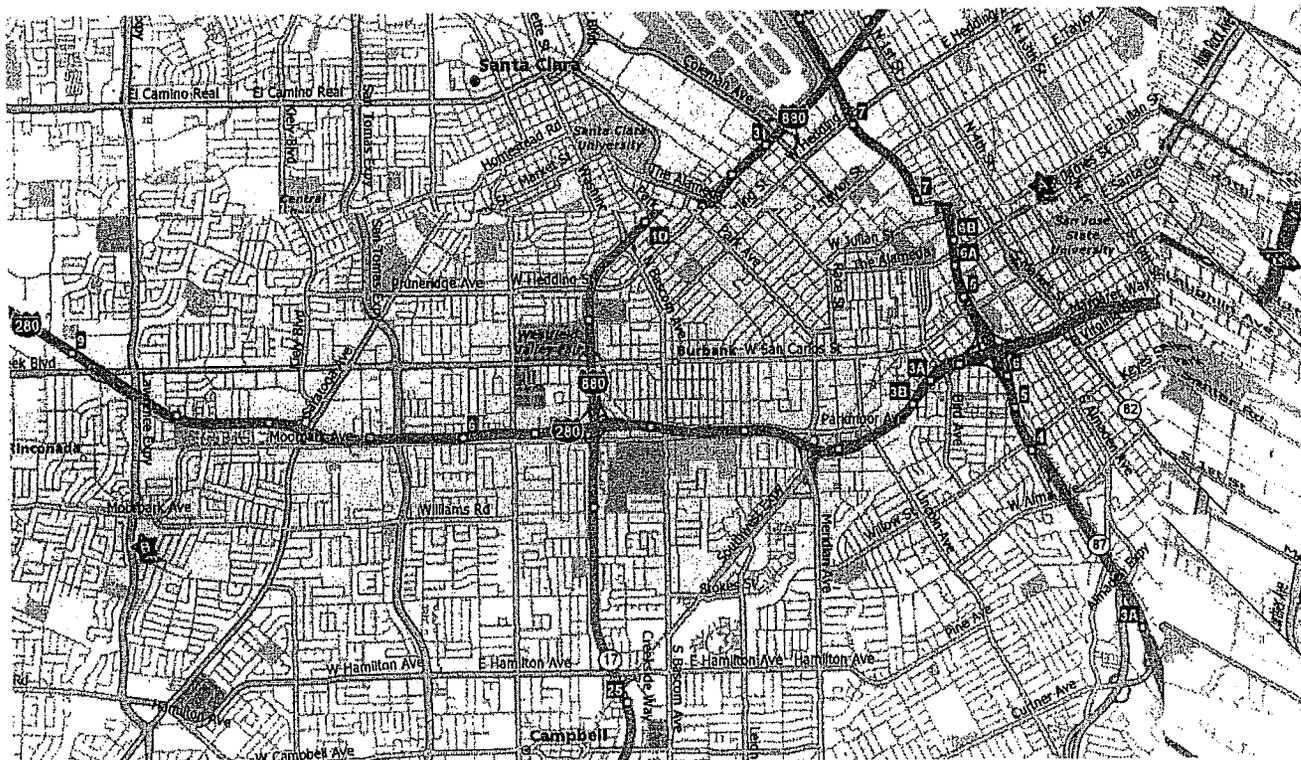
For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, at (408) 535-8300.

KJ:fs:rv  
Attachments  
Emergency Generators Installation Projects.doc

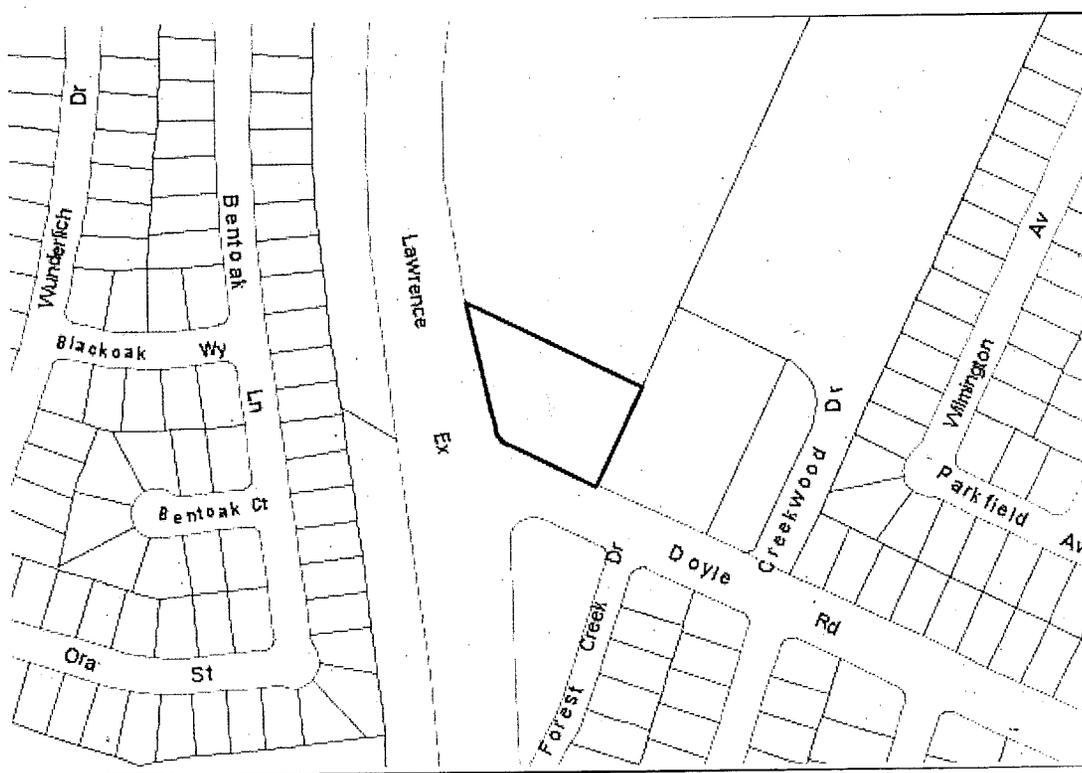


# Emergency Generators Installation Project

## West Yard Site



VICINITY / LOCATION MAP



PROJECT SITE

