



## Legislation Text

File #: 20-744, Version: 1

Approve an agreement with Peterson Mechanical Inc. of Sonoma for \$6,921,914 for a phased project for Sheriff Hot Water and Main Jail Shower Repairs Project at 500 Union Ave, in Fairfield; and Adopt a resolution for necessary findings required under the Best Value procurement process consistent with Public Contract Code sections 20155-20155.9; and Approve an Appropriation Transfer Request for \$1,344,942 from previously approved appropriations for Main Jail Shower Repair Project to the Sheriff Hot Water Project to consolidate construction funding; and Authorize the County Administrator or designee to execute the agreement and any amendments within the approved project budget

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### **DEPARTMENTAL RECOMMENDATION:**

The Department of General Services recommends that the Board of Supervisors:

1. Approve an agreement (Attachment A) with Peterson Mechanical Inc. of Sonoma for \$6,921,914 for a phased project for Sheriff Hot Water and Main Jail Shower Repairs Project at 500 Union Ave, in Fairfield; and
2. Adopt a resolution (Attachment B) for necessary findings required under the Best Value procurement process consistent with Public Contract Code sections 20155-20155.9; and
3. Approve an Appropriation Transfer Request (ATR) for \$1,344,942 from previously approved appropriations for Main Jail Shower Repair Project (Budget Unit 1733) to Sheriff Hot Water Project (Budget Unit 1799) to consolidate construction funding; and
4. Authorize the County Administrator or designee to execute the agreement and any amendments within the approved project budget.

### **SUMMARY:**

On January 14, 2020 the Board of Supervisors authorized the Department of General Services to utilize the 'Best Value' method of procurement of construction services for the Sheriff Hot Water and Main Jail Shower Repair projects under a single construction contract. Using the 'Best Value' procurement method, four contractors were subsequently prequalified and shortlisted to submit proposals, from which three proposals were received. Proposals were evaluated by an evaluation committee on the basis of criteria set forth in the solicitation documents. Peterson Mechanical Inc.'s proposal was identified as providing best overall value to the County. Staff is now returning to the Board to recommend adoption of a resolution to make necessary findings under Best Value procurement and to award the construction contract to Peterson Mechanical Inc. Staff is also requesting that current project funding in Budget Unit (BU) 1733 be transferred to BU 1799 for consolidated funding of the construction work (with working title "Justice Center Detention Facility Plumbing and Shower Repairs Project"). This contract is for Phase 2 of a phased project. Phase 1, previously completed, consisted of the Repair of aging and failing primary plumbing equipment in the central mechanical room of the Justice Center Detention Facility. Phase 2 now addresses the plumbing distribution lines though the remainder of the facility, shower repairs and code compliance. These repairs are needed for over 30 year-

old JCDF building which was completed in 1989 and placed on a 24/7 operation.

### **FINANCIAL IMPACT:**

#### *Under BU 1799 - Sheriff Hot Water Repair:*

The Board approved \$8,223,006 from a combination of Capital Renewal Reserve, Accumulated Capital Outlay, and General Expenditure Funds (Supplemental Budget) in BU 1799, to upgrade domestic water plumbing throughout the Justice Center Detention Facility (JCDF - also referred to as the 'main jail' or 'downtown jail'). Prior expenses since inception include project management, project engineering fees, permits, and Phase 1 repairs of failing plumbing equipment in the main JCDF mechanical room. The balance of approved funds of \$7,055,944 will be used to complete the repairs of hot and cold domestic water piping serving jail housing units and other operational areas, shower repairs and code compliance alterations with Peterson Mechanical Inc.

#### *Under BU 1733 - Main Jail Shower Repair:*

The Board also approved \$1,600,000 from a combination of Capital Renewal Reserve, Accumulated Capital Outlay, and Criminal Justice Temporary Construction Funds in BU 1733, to repair aging showers at the JCDF. The balance of approved funds in BU 1733 is \$1,344,942 and will be used for the repair of hot and cold domestic water fixtures, shower repairs and code compliance alterations with Peterson Mechanical Inc. Staff is recommending that the available balance be transferred to BU 1799 to consolidate funding into one project budget.

Between the two projects, the Board has approved a total of \$9,823,006 to fund the overall JCDF plumbing repairs and shower repair effort. The Department of General Services recommends combining the remaining balances from these two projects for a current total of \$8,400,886, to fund the remainder of the JCDF Plumbing and Shower Repairs Project, including the recommended construction contract for \$6,921,914 with Peterson Mechanical Inc. of Sonoma and \$2,121,112 for project management costs, outstanding engineering and design fees, permits, inspections and contingencies (a budget and financing summary is shown in Attachment C). These amounts are within the approved project construction budget.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2020/21 Recommended Budget.

### **DISCUSSION:**

The JCDF Plumbing and Shower Repairs project will repair the failing plumbing within the detention facility, repair showers and provide code upgrades. Domestic cold water and hot water supply and return lines will be repaired throughout the facility. Approximately 22 inmate showering locations will receive renovating repairs and fixture upgrades. Two showers in the infirmary and four showers in isolation areas will be renovated and receive code improvements.

#### **Best Value Bid Process:**

On January 14, 2020, the Board of Supervisors authorized "Best Value" procurement of construction services for the Project. Thereafter, the Department of General Services publicly solicited statements of qualifications from contractors interested in bidding on the project in accordance with requirements of the Public Contract Code. A total of nine Statements of Qualifications were received and evaluated by an evaluation committee that included input from the Auditor-Controller's Office and Human Resources Risk Management Division. A total of four contractors met the prequalification criteria and were invited to submit bid proposals for construction of the Project.

In July 2020, General Services issued a Request for Proposals (RFP) to the prequalified firms containing

procedures and required criteria to ensure that the selection of the Best Value General Contractor was conducted in a fair and impartial manner, as required by the enabling legislation. The RFP document is included as Attachment D and is on file with the Clerk of the Board.

On August 27, 2020, Best Value bid proposals were received from Peterson Mechanical Inc., Sea Pac Engineering, Inc. and Acco Engineered Systems, Inc. Each firm submitted project team qualifications and other required information as identified in the published RFP. Each firm's bid price was submitted in a separate sealed envelope that was left unopened until qualifications had been evaluated and scored. Consistent with the legislation, an evaluation committee evaluated the proposals consistent with the established objective criteria and assigned an overall quality score to each proposal. Points were earned for meeting the specific criteria published in the RFP.

To determine the best value contractor, the bid price is divided by the qualifications score. The lowest resulting cost per quality point represents the best value bid. Of the three bid proposals received, the Peterson Mechanical, Inc.'s proposal represents best value to the County at the lowest cost of \$10,390 per quality point (i.e. construction bid of \$6.92 million divided by Peterson's quality score of 666 - bid results are included on Attachment E).

Peterson Mechanical, Inc.	666 points - \$10,390 per quality point
Acco Engineered Systems, Inc.	508 points - \$13,727 per quality point
Sea Pac Engineering, Inc.	bid results withdrawn at Sea Pac's request due to clerical error

Awarding the contract to Peterson Mechanical on the basis of best value for the project will expedite the overall schedule of the project with added efficiency and minimized operational impacts. Project efficiency and quality will also be improved with the service of an assigned, individually prequalified project team, which is a feature not otherwise obtainable under standard low-bid terms.

#### Project Labor Agreement (PLA):

On May 13, 2014 the Board of Supervisors affirmed the policy requiring a Project Labor Agreement for all construction projects over \$2.5 million. Due to the technical nature of this project, General Services is recommending that this project be exempt from the policy since this phased project will be relying on a small, specialized workforce with a limited role for subcontractors. The use of a PLA would add cost and additional constraints to the workforce without providing the corresponding reduced risk of construction delays or cost increases from worker shortages that are typical advantages of a PLA.

#### **ALTERNATIVES:**

1. The Board could reject the bid proposals. This action is not recommended since it would terminate the Project and result in the loss of the County's investment in the Project to date and loss of State funding.
2. The Board could choose to postpone or re-bid the Project on the basis of traditional low bid procurement. These actions are not recommended since the bid process was conducted in conformance with the Public Contract Code. Re-bidding the Project would increase the overall project costs and delay implementation of the Project. If awarded on the basis of low bid, the project would not benefit from the features of the best value procurement process.

#### **OTHER AGENCY INVOLVEMENT:**

Plans were offered to the Board of State and Community Corrections for review. The Department of Resource Management Building Division reviewed and approved the Project plans. County Counsel reviewed and approved the contract as to form.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENTAL RECOMMENDATION