



Agenda Date: 8/9/2005
Agenda Placement: 6K

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Michael Stoltz for Robert Peterson - Director
Public Works
REPORT BY: Janet Walker, Assistant Engineer , 259-8383
SUBJECT: Energy Efficient Mechanical Retrofit for the Hall of Justice and Administration Building Project -
Rejection of Bid & Re-Bid

RECOMMENDATION

Director of Public Works requests the following actions relating to the "Energy Efficient Mechanical Retrofit for the Hall of Justice and Administration Building Project," PW 04-15:

1. Rejection of all the bids received on July 7, 2005; and
2. Approval of revised plans and specifications for the "Energy Efficient Mechanical Retrofit for the Hall of Justice and Administration Building Project," PW 04-15R, authorization to re-advertise for sealed bids and opening of the bids at a time, date and location to be published by the Director of Public Works pursuant to Section 20150.8 of the Public Contract Code.

EXECUTIVE SUMMARY

Bids for the Energy Efficient Mechanical Retrofit for the Hall of Justice and Administration Building Project were opened on July 7, 2005. The only bidder, Bell Products of Napa, submitted a bid in the amount of \$627,943, which was \$172,943 over budget. Staff requests that the Board reject the bid and re-bid the project to obtain a bid that is within budget.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes

Where is it budgeted?	Capital Improvement Program
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This mechanical project represents one half of the energy retrofit project and it is anticipated that in the first year of project completion the County will realize a net savings of approximately \$137,000 of which \$97,000 is a one time rebate from the California Energy Commission and \$42,000 is the energy savings. The anticipated net annual savings throughout the life of the loan (12 1/2 years), is \$42,000 per year.
Is the general fund affected?	Yes
Future fiscal impact:	It is anticipated that Property Management utility appropriations will be reduced following completion of these retrofit projects.
Consequences if not approved:	The project will not be constructed and the County will not realize the savings in energy costs.
Additional Information:	None

ENVIRONMENTAL IMPACT

Categorical Exemption Class 2: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 2 ("Replacement or Reconstruction") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15302.]

BACKGROUND AND DISCUSSION

On May 17, 2005 the Board of Supervisors approved plans and specifications for the "Energy Efficient Mechanical Retrofit for the Hall of Justice and Administration Building Project," PW 04-15, authorized to advertise for sealed bids and for opening of the bids at a time, date and location to be published by the Director of Public Works pursuant to Section 20150.8 of the Public Contract Code. Bids were opened on July 7, 2005.

The only bidder, Bell Products of Napa, submitted a bid in the amount of \$627,943, which was \$172,943 over budget. This project is funded through a loan from the California Energy Commission and there is no allowance for an increase in this budget. Staff determined that the available project budget is insufficient to award the construction contract to the bidder, and is requesting the Board reject all bids and re-advertise the project to obtain a bid that is within the budget.

Staff is modifying and restructuring the bid documents per the Public Contract Code (Section 20103.8.c) so as to allow award of a project package that is within budget. Section 20103.8.c allows for an "additive alternative" procedure. To use this procedure, the project is broken into components and prioritized. For the Mechanical Retrofit Project, the components were evaluated for prioritization using their Net Present Values - ie. the rate of return as determined by installation cost, rebate, simple payback period, and expected annual savings resulting from the component's installation. The bid documents must state the construction amount and the prioritized components, and the components are bid separately. The project is awarded to the lowest bidder whose submittal encompasses the most components (in order) without going over the stated project budget.

Staff will aggressively seek bidders for this project, as it is believed with greater interest in the project, better bids

will be received. As an accommodation for contractors interested in bidding on this project there will be an additional walk through scheduled. It is requested that the Board authorize the Director to rebid the project. The construction cost estimate for this project is \$455,000.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Britt Ferguson