



Folsom City Council Staff Report

MEETING DATE:	5/24/2022
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10860 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Cooper Oates Air Conditioning for the Folsom City Hall Boiler and HVAC Replacement Design-Build Project
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 10860 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Cooper Oates Air Conditioning for the Folsom City Hall Boiler and HVAC Replacement Design-Build Project.

BACKGROUND / ISSUE

The HVAC system in the Folsom City Hall has been in service since the facility opened in 1991, a total of 31 years. The system includes five roof-top HVAC units, two 750k Boilers, and a Trane “Tracer Summit” control system. Due to the age of the system, each component has the potential to fail and require extensive repair/replacement. Aging and failing HVAC equipment is expensive to maintain and operate, and parts critical to proper operation are often only available through 3rd party sellers. Newer equipment paired with a modern control system will be more efficient and less costly to operate and maintain. With the installation of the new equipment and controls, it is expected that there will be a significant reduction in on-going utility costs.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, Public Works projects costing \$62,657 or greater shall be competitively bid and contracted for by the City Council.

ANALYSIS

The Notice to Contractors for the Folsom City Hall HVAC and Boiler Replacement Project was published on April 14, 2022, with noticing to local and electronic bid boards and Builder’s Exchanges. No pre-bid meeting was held.

The Parks and Recreation Department received four bids on May 3, 2022:

	Contractor	Bid
1.	Cooper Oates Air Conditioning	\$947,825.00
2.	AK Mechanical Inc.	\$965,025.10
3.	ACCO Engineered Systems	\$967,861.10
4.	Air Systems Service & Construction	\$991,469.00

The bid submitted by Cooper Oates Air Conditioning in the amount of \$947,825 is the lowest responsible and responsive bid.

Staff is also requesting a 15% contingency of \$142,173 for unforeseen conditions. It is intended that we reuse the existing ductwork and other components, however it’s possible that there are hidden conditions or other factors that may need to be addressed during the installation. The HVAC and Boiler replacement is bid as a “design-build” project, with the overall goal of insuring that the City receives the best combination of quality and price possible. In addition, one of the deliverables is for the contractor to work with local utilities to obtain any appropriate rebates or incentives.

FINANCIAL IMPACT

The cost of replacing the City Hall HVAC and Boilers (\$947,825) will be funded by American Rescue Plan Act (ARPA) funds. The request for a 15% contingency (\$142,173) exceeds the 10% construction contingency authorized in the Folsom Municipal Code but is highly recommended due to conditions that are not known at this time. The total project with contingency would be in the amount not to exceed \$1,089,998.00 (\$947,825 + \$142,173).

Project Costs:

Total Base Bid	\$947,825
Construction Contingency	\$142,173
Total project Cost	\$1,089,998

All costs will be expended from the General Fund (Fund 010) and will be allocated to the ARPA Funds.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act, the proposed project is Categorically Exempt per Article 19, 15300.1 – Relation to Ministerial Projects.

ATTACHMENT

1. Resolution No. 10860 – A Resolution Authorizing the City Manager to Execute a Construction Agreement with Cooper Oates Air Conditioning for the Folsom City Hall Boiler and HVAC Replacement Design-Build Project

Submitted,

Lorraine Poggione, Director
Parks & Recreation Department

RESOLUTION NO. 10860

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH COOPER OATES AIR CONDITIONING, INC. FOR THE FOLSOM CITY HALL BOILER AND HVAC REPLACEMENT DESIGN-BUILD PROJECT

WHEREAS, the City of Folsom has validated the need to replace the existing HVAC, Boiler, and HVAC control systems that have reached the end of their useful life; and

WHEREAS, the City of Folsom HVAC and Boiler Replacement Project will not add any new or significant adverse impacts and is therefore exempt under Article 19 Section 1500.1 of the California Environmental Quality Act (CEQA); and

WHEREAS, this project was publicly advertised on April 14, 2022, and the bids were received on May 3, 2022, with Cooper Oates Air Conditioning, Inc. being the lowest responsive and responsible bidder; and

WHEREAS, funds were budgeted in Fiscal Year 2021-22, with funds received from the American Rescue Plan Act (ARPA) for this project and are currently available; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes:

1. The City Manager to execute a contract in a form acceptable to the City Attorney, in the amount of \$947,825 with Cooper Oates Air Conditioning, Inc. for the City Hall HVAC and Boiler Replacement Project.
2. The City Manager, or designee, to approve project change orders not-to-exceed \$143,173 for work associated with unanticipated HVAC infrastructure or structural conditions. The total project budget will be for a not to exceed amount of \$1,089,998.;

PASSED AND ADOPTED this 24th day of May 2022, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Kerri M. Howell, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK