



## AGENDA REPORT

**Meeting Date:** February 2, 2016  
**Item Number:** D-8  
**To:** Honorable Mayor & City Council  
**From:** Charles Ackerman, Associate Project Manager  
**Subject:** APPROVAL OF THE AWARD OF CONTRACT TO THE LOWEST RESPONSIBLE BIDDER, BON AIR, INC. FOR THE COOLING TOWER REPLACEMENT FOR THE CENTRAL PLANT; AND APPROVING PLANS AND SPECIFICATIONS THEREFOR; AND APPROVAL OF A PURCHASE ORDER TO BON AIR, INC. IN THE TOTAL AMOUNT OF \$438,000 FOR THE CONTRACT WORK  
**Attachments:**  
1. Contract  
2. Categorical Exemption

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### **RECOMMENDATION**

It is recommended that the City Council approve the award of a contract to the lowest responsible bidder, Bon Air, Inc. for the "Cooling Tower Replacement For The Central Plant Project" Bid No. 15-53, in the amount of \$398,000; approve the construction contingency of \$40,000 and delegate the authority to approve change orders to the Director of Capital Assets as provided in the Beverly Hills Municipal Code, Section 3-3-111; approve the plans and specifications for the Project, dated October 8, 2015, which are adopted and approved with respect to design criteria; and approve a purchase order in the amount of \$438,000.

### **INTRODUCTION**

The Central Plant for the civic center complex was constructed in 1988 with the Police Department and is located at B level of the Facility. The plant includes three cooling towers that provide chilled water to City Hall, Library and Police Facility. The proposed contract will address a number of deficiencies.

### **DISCUSSION**

The existing cooling towers for the Central Plant have reached the end of their useful life and are currently not able to adequately serve the Civic Center loads during peak cooling demand periods.

The architectural firm, RTK Architects was engaged to provide the design services for the project including the complete design services, preparation of construction plans and specifications, and administration during construction. The plans and specifications call for the following scope of work.

- Removal of the three (3) existing Cooling Towers and replacing them with Two (2) larger capacity, energy efficient, stainless steel units, removal and replacements will be done in two phases.
- Reinforcing structural framing below the new equipment, replacing existing roof drains with new drains
- Removal of existing roof waterproofing coating and application of new roofing waterproofing coating.

Seven firms attended the mandatory job walk and obtained bid documents for this project. The process was advertised in the Beverly Hills newspapers, construction trade publications and the construction documents were posted on the City's website.

On December 3, 2015, four bids were received. The bids results are as follows:

<u>Bidder</u>	<u>Base Bid</u>
Bon Air, Inc.	\$398,000
NKS Mechanical Contracting	\$404,000
Air Conditioning Solutions, Inc.	\$543,882
Advanced Centrifugal Systems, Inc.	Incomplete Bid

The low bidder, Bon Air, Inc., submitted a responsive bid, and as reported by the State Contractors Licensing Board, their license is current and in good standing. Review of the firm's references indicates that the firm has successfully executed similar work.

Staff further recommends that the base bid be accepted as the contract work. In addition, a contingency of \$40,000 (approximately 10% of the contract amount) is recommended for changes due to unforeseen conditions to complete the work.

The bid documents specify a 90 calendar day completion period for the work, resulting in completion of the project in May/June 2016. All work is specified to be performed so there will be no impact to Police operations or the weekly Farmers Market during the work.

The Department of Community Development has reviewed the project for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills, and no further environmental assessment is necessary.

### **FISCAL IMPACT**

Funding for this contract work has been budgeted from the fiscal year 2015-16 Capital Improvement Program (CIP) budget from the Major Building Systems Maintenance and Replacement Fund for project #811.

David E. Lightner   
Approved By

# **Attachment 1**

## CONTRACT

### CITY OF BEVERLY HILLS

### CONTRACT FOR

### COOLING TOWERS REPLACEMENT FOR CENTRAL PLANT

THIS CONTRACT ("Contract") is made and entered this 2 day of February, 2016 ("Effective Date"), by and between the CITY OF BEVERLY HILLS, a California municipal corporation ("City") and Bon Air Corporation ("Contractor"). Contractor's license number is 499561.

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Contract Documents. The Contract Documents consist of this Contract, the Notice Inviting Bids, Instructions to Bidders, Bid (including documentation accompanying the Bid and any post-Bid documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements. The Contract Documents are attached hereto and incorporated herein by reference. In the event of any conflict between the terms of this Contract and any incorporated documents, the terms of this Contract shall control.
2. Scope of Services. Contractor shall perform the Work in a good and workmanlike manner for the project identified as Cooling Towers Replacement For Central Plant ("Project"), as described in this Contract and in the Contract Documents.
3. Compensation. In consideration of the services rendered hereunder, City shall pay Contractor a not to exceed amount of Three Hundred Ninty eight Thousand Dollars (\$398,000) in accordance with the prices as submitted in Contractor's Proposal, attached hereto and incorporated herein by this reference.
4. Incorporation by Reference. All of the following documents are attached hereto and incorporated herein by this reference: Workers' Compensation Certificate of Insurance; Additional Insured Endorsement (Comprehensive General Liability); Additional Insured Endorsement (Automobile Liability); and Additional Insured Endorsement (Excess Liability).
5. Antitrust Claims. In entering into this Contract, Contractor offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the California Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tenders final payment to Contractor without further acknowledgment by the parties.
6. Prevailing Wages. City and Contractor acknowledge that this Project is a public work to which prevailing wages apply. The provisions of Section 7.A of the General Provisions shall apply and are mandatory for this Project.
7. Workers' Compensation. California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to under take self-insurance in accordance with the provisions of that code, and I

will comply with such provisions before commencing the performance of the Work of this Contract."

8. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

9. Authority. Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

10. Entire Agreement. This Contract, including any other documents incorporated herein by specific reference, represents the entire and integrated agreement between City and Contractor. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties which expressly refers to this Contract.

11. Counterparts. This Contract may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed the Contract the day and year first above written.

CITY OF BEVERLY HILLS

By: \_\_\_\_\_  
JULIAN A. GOLD, M.D., Mayor

ATTEST:

By: \_\_\_\_\_  
BYRON POPE, City Clerk

Dated: \_\_\_\_\_

\_\_\_\_\_  
(BON AIR CORPORATION)

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
DAVID M. SNOW  
Interim City Attorney

APPROVED AS TO CONTENT:

By: \_\_\_\_\_  
MAHDI ALUZRI  
City Manager

By: \_\_\_\_\_  
GEORGE CHAVEZ  
Assisitant City Manager/Director of  
Public Works Services

By: \_\_\_\_\_  
KARL KIRKMAN  
Risk Manager

# **Attachment 2**



www.beverlyhills.org

COMMUNITY DEVELOPMENT DEPARTMENT

455 N. Rexford Drive  
Beverly Hills, CA 90210-4817  
(310) 285-1123  
FAX: (310) 858-5966

CITY OF BEVERLY HILLS

Categorical Exemption

NAME OF PROJECT Cooling Towers Replacement for the Central Plant

LOCATION 464 N Rexford Drive, Beverly Hills, California

TYPE OF BUSINESS (IF COMMERCIAL) Beverly Hills Police Department

PROJECT DESCRIPTION Removal of 3 cooling towers and the installation of 2 new cooling towers for the central plant.

APPLICANT'S NAME City of Beverly Hills PHONE 310-285-1132

APPLICANT'S ADDRESS Project Administration 345 Foothill Road

CITY Beverly Hills, CA ZIP 90210

IF DIFFERENT, PROVIDE:

AGENT'S NAME \_\_\_\_\_ PHONE \_\_\_\_\_

AGENT'S ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ ZIP \_\_\_\_\_

The undersigned, having received this project for processing, has reviewed it for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills and no further environmental assessment is necessary.

Applicable Exemption Class Class 2(c)(15302) Replacement or Reconstruction

COMMENTS Class 2 includes the replacement or reconstruction of existing structures and facilities— in this case, cooling towers—involving negligible expansion of capacity.

REVIEWED BY Cynthia de la Jove Date January 28, 2016