



Agenda Report

April 8, 2024

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: AUTHORIZE CITY MANAGER TO ENTER INTO A PURCHASE ORDER CONTRACT WITH WESTERN STEEL BUILDINGS, INC. FOR PURCHASE OF A PREFABRICATED STEEL HANGAR AT THE POLICE DEPARTMENT HELIPORT FACILITY FOR AN AMOUNT NOT-TO-EXCEED \$229,970

RECOMMENDATION:

It is recommended that the City Council:

1. Find the contract proposed herein to be categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Title 14, Chapter 3, Article 19, Section 15301, Class 1 - Existing Facilities, and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances; and
2. Authorize the issuance of a purchase order contract to WSB Assets, Inc. dba Western Steel Buildings, Inc. for the procurement of a new prefabricated steel hangar at the Police Department Heliport facility for an amount not-to-exceed \$229,970, which includes the base contract amount of \$199,970 and a contingency of \$30,000 to provide for any necessary change orders.

BACKGROUND:

The Pasadena Police Department's Air Operations Section (Air Ops) was established in 1969 and is one of the oldest airborne law enforcement programs in the United States. Air Ops has a dedicated four-acre heliport facility located in northwest Pasadena at 2175 North Yucca Lane. Air Ops supports the Los Angeles Interagency Metropolitan Police Apprehension Crime Taskforce with a dedicated Pasadena pilot and Task Force Officer. In addition, Air Ops provides services on a contract basis to other jurisdictions in the San Gabriel Valley.

Currently, there are two aircraft hangars at the heliport site. The main hangar houses up to five helicopters and maintenance operations. The second smaller hangar is a 2,400-square-foot steel arch building that provides space to house an additional helicopter. The smaller hangar is no longer sufficient to meet the current operational needs of Air Ops. Furthermore, in FY 2023, the City purchased a new Mobile Operations Center (MOC) vehicle to replace the previously outdated and obsolete vehicle. In order to properly store the new MOC truck and provide additional required hangar space for helicopters and related parts and equipment, the 2,400-square-foot steel arch hangar needs to be demolished and replaced with a new, larger 5,000 square-foot hangar.

On July 10, 2023, City Council authorized the contract award for professional architectural and design services for the hangar site including foundation design for the new prefabricated structure and associated work including geotechnical investigation, electrical design, and fire suppression/fire alarm system design. While the consultant designs the hangar foundation, the structural design of the specified prefabricated steel building is deferred to the fabrication company.

The purchase of the prefabricated steel structure would typically occur during the construction phase by the project contractor selected to erect the building. However, due to the long lead time to manufacture the structure, this advance purchase will expedite the project and ensure the prefabricated structure will be ready to erect when construction begins. The scope of work under this contract consists of the purchase and delivery of a 5,000 square-foot prefabricated steel hangar structure. This contract excludes installation and storage. Construction services for the erection of the building will be advertised under a separate procurement after the completion of design services.

On June 1, 2023, a Notice Inviting Bids for the Prefabricated Steel Structure – 5,000 Square Feet project was posted on OpenGov Procurement. Two bids were received by the bid opening date on June 28, 2023. On September 18, 2023, City Council authorized City Manager to issue a purchase order contract to Technology International, Inc. for an amount not-to-exceed \$131,870 as it was the lowest responsible bidder. On December 15, 2023, Technology International, Inc. notified the City it would not honor the pricing proposed on June 28, 2023 due to industry-wide price escalations and that it was electing to not provide documentation required for execution of the purchase order agreement and was withdrawing itself from consideration on the project.

The second bid received on June 28, 2023 was from Shook Building Systems, Inc. for \$354,729 and exceeded the Engineer's Cost Estimate by approximately 77%. Upon review of the second bid, staff determined the bid significantly exceeds the project's budget and the bid was beyond its 120-day bid price guarantee. As such, staff concluded it is in the City's best interest to re-advertise the project with additional project details.

The Department of Public Works prepared plans and specifications for the subject contract. Bids were requested and received in accordance with Section 4.08.070 of the Pasadena Municipal Code. On January 25, 2024 a Notice Inviting Bids for the Prefabricated Steel Building was published in the local paper as well as posted on

OpenGov Procurement. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 22 vendors downloaded the specifications, none of which were local. Four bids were received by the bid opening date.

Following advertising, bids were electronically received on February 26, 2024, and are as follows:

Bidder	Amount(\$)
1. Western Steel Buildings, Inc., Park City, UT	\$ 199,970
2. Modern Noble International, LLC, Long Beach	\$ 282,959
3. Shook Building Systems, Inc., Corona	\$ 313,359
4. Facility Builders & Erectors, Inc., Anaheim	\$ 390,321

It is recommended that WSB Assets, Inc. dba Western Steel Buildings, Inc. be awarded the contract for this project as they are the lowest responsive and responsible bidder. The proposed contract with Western Steel Buildings, Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. In addition, the proposed contract fully complies with the Prevailing Wage Law (Senate Bill 7) per Resolution 9406 adopted by the City Council on December 14, 2014. The contractor has indicated that the awarding of this contract will result in no new hires to the present workforce. In accordance with the Local Preference provisions of the contract, the contractor is encouraged to recruit Pasadena residents initially and to give them preference, if all other factors are equal, for any new positions generated from this contract.

Western Steel Buildings, Inc. has not previously performed work for the City.

The purchase order contract for this project will be set up as follows:

Base Bid	\$ 199,970
Contingency Allowance	<u>\$ 30,000</u>
Contract Not-to-Exceed Amount	\$ 229,970

A contingency of approximately 15 percent is allocated to this contract given possible unforeseen conditions that may be encountered during design and fabrication. It is anticipated the hangar will be delivered in Fall of 2024. The proposed date includes the material lead time required for manufacturing and delivery of items.

COUNCIL POLICY CONSIDERATION:

This proposed purchase is consistent with the City Council's goal to improve, maintain, and enhance public facilities and infrastructure.

ENVIRONMENTAL ANALYSIS:

The contract award has been determined to be categorically exempt under the CEQA Guidelines in accordance with Title 14, Chapter 3, Article 19, Section 15301, Class 1, minor alterations of existing public facilities involving negligible or no expansion of use beyond that previously existing at the time of the lead agency's determination. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

The total cost of this purchase order contract including contingency is \$229,970 and the total cost of this action is not expected to exceed \$234,970, accounting for staff time and administration of the contract. Funding for this action will be addressed by the utilization of the existing budgeted appropriations in the *Mobile Operations Center* (71919) CIP project, which includes \$1.3 million in General Fund. It is anticipated all costs will be spent in FY 2024 and FY 2025.

The following table represents a project summary.

Purchase Order Contract	\$	199,970
Contract Contingency	\$	30,000
Contract Administration	\$	5,000
Total Fiscal Impact	\$	234,970

Respectfully submitted,



TONY OLMOS, P.E.
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