



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Reject Bid for Vehicle Exhaust Removal Systems at Three Fire Stations (F15-86)

REPORT IN BRIEF

Council approval is requested to reject one bid received from Air Exchange, Inc. of Fairfield in the amount of \$231,153 for vehicle exhaust removal systems at Fire Stations 1, 2 and 6. The bid is significantly higher than the available budget of \$180,000, and much greater on a unit cost basis than that paid for nearly identical work completed last fiscal year by the same vendor.

ENVIRONMENTAL REVIEW

N/A.

EXISTING POLICY

Pursuant to Section 2.08.140(b) of the Municipal Code, Council approval is required to reject bids greater than \$100,000.

BACKGROUND AND DISCUSSION

Vehicle exhaust removal systems protect Public Safety personnel against exposure to particulates released into the air. These systems capture virtually 100% of exhaust through a pneumatic nozzle that is attached to the tailpipe when a vehicle enters the fire house. The captured exhaust is then discharged through flexible hose to a filtered container and then to the outdoors. By capturing exhaust particulate at the source, the systems actually reduce the investment in general ventilation equipment that would be required to rid the apparatus bay area of the vehicle exhaust contaminants. Two of the systems were replaced last year (Fire Stations 3 and 4), with three more fire stations planned for this year.

An Invitation for Bids (IFB) to replace the exhaust removal systems at Fire Stations 1, 2 and 6 was issued on June 17, 2015, with a due date of July 22. One bid was received from Air Exchange, Inc. in the amount of \$231,153, nearly 30% higher than the available budget of \$180,000 and an average of \$77,000 per station. Additionally, the same vendor was awarded the contract for the previous two fire stations at an average cost of \$36,000 per station.

Air Exchange indicated that the increase in pricing was mainly due to the building configurations and the new prevailing wage requirement. It is likely that both of these factors account for a portion of the higher pricing, but the current economic climate and the low number of competitors for this type of system are also factors (there are two known suppliers in the area that provide this type of equipment). Though the units are scheduled for replacement, staff believes that the useful life can be extended for a short period of time while options are explored. Therefore staff recommends rejecting the one bid received from Air Exchange.

FISCAL IMPACT

There is no fiscal impact if Council rejects the bid. Staff will evaluate replacement options during the upcoming budget cycle.

Funding Source

This project is budgeted in the Facilities Management Sub-fund of the General Services Fund and funded from equipment replacement funds collected for this purpose.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Reject the one bid received from Air Exchange Inc. in the amount of \$231,153.

Prepared by: Pete Gonda, Purchasing Officer

Reviewed by: Timothy J. Kirby, Assistant Director, Finance

Reviewed by: Frank Grgurina, Director, Public Safety

Reviewed by: Manuel Pineda, Director, Public Works

Reviewed by: Jane Chambers, Interim Assistant City Manager

Approved by: Kent Steffens, Assistant City Manager
for Deanna J. Santana, City Manager