

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: APRIL 14, 2025**

**SUBJECT:** RFP 2352 – SERVICE AGREEMENT FOR AIR HANDLER AND CONDENSER REPLACEMENT FOR JOHN W. NORTH WATER TREATMENT FACILITY WITH PACIFIC WEST INDUSTRIES, INC, FOR THE AMOUNT OF \$192,536; TERMINATION OF SERVICES AGREEMENT FOR AIR HANDLER & CONDENSER REPLACEMENT FOR JOHN W. NORTH WATER TREATMENT FACILITY WITH PARADIGM MECHANICAL CORP.

**ISSUE(S):**

Consider approving the Services Agreement from Request for Proposal No. 2352 for the Air Handler and Condenser Replacement at John W. North water treatment plant with Pacific West Industries Inc., in the amount of \$192,536; and approve the expenditure in the amount of \$192,536 and terminate the current agreement with Paradigm Mechanical Corp executed on June 30, 2024.

**RECOMMENDATION(S):**

That the Board of Public Utilities:

1. Approve a Services Agreement from Request for Proposal No. 2352 for the Air Handler and Condenser Replacement at John W. North water treatment plant with Pacific West Industries Inc in the amount of \$192,536;
2. Approve Work Order No. 2516880 in the amount of \$192,536;
3. Authorize the City Manager, or designee, to execute the Agreement, including making minor and non-substantive changes; and
4. Authorize the City Manager, or designee, to terminate the Agreement with Paradigm Mechanical Corp.

**BACKGROUND:**

The John W. North Water Treatment Plant (JW North) began operating in September 2008. With a rated capacity of 10 million gallons per day (MGD), it treats groundwater pumped from wells requiring membrane filtration. JW North is a critical plant that, when commissioned, allowed the City of Riverside to become 100% water independent and eliminated its need to purchase expensive imported water from the Colorado River and State Water Project.

JW North uses specialized membranes to remove microbiological contaminants. Minicomputers control the entire treatment process by operating variable-frequency drive motors to control pumps and create the necessary vacuum pressure for passing water through the membranes. Due to the sensitive electronic equipment and high temperatures created by the variable-frequency drive motors, air cooling is required, especially during high summer temperatures.

RFP No. 2352 was posted on the City's Online Bid System on February 9, 2024, and closed on March 5, 2024. Two vendors submitted proposals. Four Water Operations and Engineering staff evaluated the proposals and deemed Paradigm Mechanical Corp, Santee, California, the top ranked proposer.

The total points and initial rankings are summarized in the table below.

Initial Evaluation Results Table:

Criterion	Max Score	Paradigm Mechanical Corp.	Pacific West Industries Inc.
Qualification Scores	140	<b>128.00</b>	131.00
Professional References	40	<b>28.00</b>	33.00
Approach/Methodology	80	<b>70.00</b>	71.00
Cost Scores	140	<b>140.00</b>	72.00
Total	400	<b>366.00</b>	307.00
Rank		<b>1</b>	2

Vendors	City Location	Bid Amount	Rank
<b>Paradigm Mechanical Corp.</b>	Santee, CA	<b>\$98,992.00</b>	<b>1</b>
Pacific West Industries Inc.	Anaheim, CA	\$192,536.00	2

➤ *Engineer's Estimate* \$200,000.00

On June 30, 2024, the City signed a Services Agreement with Paradigm Mechanical Corp. in the amount of \$98,992.

## **DISCUSSION:**

In December 2024, Paradigm Mechanical Corp. notified the City that the compressor unit that the City had specified was not available from the manufacturer, Carrier, and additional electrical work would be needed to install a substitute unit. Paradigm Mechanical Corp. provided a new quote of \$242,835 including the additional electrical work. Water Division staff met with the City Attorney's Office and Purchasing Division to review other vendor options. City Purchasing staff confirmed with Pacific West Industries, Inc., the second bidder, that their pricing of \$192,536 was still valid, and would not face the same issue as experienced by Paradigm Mechanical Corp. and recommended to hire Pacific West Industries, Inc. for the project and terminate the agreement with Paradigm Mechanical Corp. The updated points and rankings are summarized in the table below: Section 12 of the Agreement with Paradigm Mechanical Corp. authorizes the City to terminate the contract on 30 days' notice.

## Updated Evaluation Results Table:

Criterion	Max Score	Paradigm Mechanical Corp.	Pacific West Industries Inc.
Qualification Scores	140	128.00	<b>131.00</b>
Professional References	40	28.00	<b>33.00</b>
Approach/Methodology	80	70.00	<b>71.00</b>
Cost Scores	140	111.00	<b>140.00</b>
Total	400	337.00	<b>375.00</b>
Rank		2	<b>1</b>

Purchasing Resolution 24101, Section 508 Awards states, “Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible, except that... (c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications.”

The Purchasing Manager concurs that the recommended actions are in accordance with Purchasing Resolution 24101.

**STRATEGIC PLAN ALIGNMENT:**

This item aligns with **Strategic Priority 4 - Environmental Stewardship** and **Goal 4.2 - Sustainably manage local water resources to maximize reliability and advance water reuse to ensure safe, reliable and affordable water to our community.**

The actions align with the five Cross-Cutting Threads as described below:

1. **Community Trust** – Riverside is transparent and produces a summary of the Water Quality Results, obtained from the laboratory services contract in the annual Water Quality Report.
2. **Equity** – Maintaining water quality that meets State and Federal drinking water standards benefits Riverside residents, businesses, and visitors.
3. **Fiscal Responsibility** – Riverside seeks to maintain compliance with all State and Federal Regulations and monitoring requirements thus avoiding any monetary violations.
4. **Innovation** – Riverside works collaboratively with their contract laboratory to come up with innovative solutions to data management, and deliverables.
5. **Sustainability & Resiliency** – Communities are reliant on their water resources to thrive, providing high quality water will ensure Riverside’s sustainability and resiliency.

**FISCAL IMPACT:**

The total fiscal impact is \$192,536.00. Sufficient funds are available in Public Utilities Maintenance Account No. 6200000-424130.

Prepared by:	Robin Glenney, Utilities Assistant General Manager/Water
Approved by:	David A. Garcia, Utilities General Manager
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Jack Liu, Interim City Attorney

Attachments:

1. Agreement with Pacific West Industrial Inc.
2. RFP Award Recommendation
3. Presentation