



# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE: FEBRUARY 12, 2024**

**SUBJECT: REQUEST FOR PROPOSAL NO. 2308 – PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR THE DESIGN AND CONSTRUCTION ADMINISTRATION FOR REPLACEMENT/MODIFICATION OF EXISTING HEATING, VENTILATION AND AIR CONDITIONING SYSTEMS FOR THE MISSION SQUARE BUILDING WITH PBS ENGINEERS, INC. OF GLENDORA, CALIFORNIA, IN THE AMOUNT OF \$299,700 FOR TWO YEARS; TOTAL PROJECT COST OF \$1,500,000 WORK ORDER NO. 2201436**

### **ISSUES:**

Consider approving Work Order No 2201436 in the amount of \$1,500,000 for the replacement/modification of the of the existing heating, ventilation and air conditioning systems for the Mission Square building and recommend City Council approve a Professional Consultant Services Agreement from Request for Proposal No. 2308 for the Design and Construction Administration for Replacement/Modification of Existing Heating, Ventilation and Air Conditioning Systems for the Mission Square Building with PBS Engineers, Inc. of Glendora, California, in the amount of \$299,700, for two years.

### **RECOMMENDATIONS:**

That the Board of Public Utilities:

1. Approve Work Order No. 2201436 for the replacement/modification of the of the existing heating, ventilation and air conditioning systems for the Mission Square building in the amount of \$1,500,000;

That the Board of Public Utilities recommend that the City Council:

2. Approve a Professional Consultant Services Agreement from Request for Proposal No. 2308 for the Design and Construction Administration for Replacement/Modification of Existing Heating, Ventilation and Air Conditioning Systems for the Mission Square Building, located at 3750 University Avenue with PBS Engineers, Inc., Glendora, California, in the amount of \$299,700, for two years; and
3. Authorize the City Manager, or designee, to execute the Professional Services Agreement including making non-substantive changes.

**BACKGROUND:**

On October 13, 2015, the City acquired the Mission Square Office Building at 3750 University Avenue (Property), which was funded by Riverside Public Utilities (RPU). As such, the City is now the landlord of the Property. The Property consists of approximately 127,533 square feet of rentable office and retail space in a six-story building, plus a basement level and a 471-stall parking garage situated on approximately 2.5 acres of land.

Prior to the purchase of the Property, the City hired Tmad Taylor & Gaines Engineers to prepare a mechanical, electrical and plumbing equipment and systems inspection report. The report was received on March 9, 2015, and concluded that while the building’s major equipment was found to be generally in fair to good condition, much of the equipment was at or near the end of its expected service life.

On August 27, 2018, the Board of Public Utilities approved the Mission Square Cooling Tower Replacement Project in the amount of \$322,884.

**DISCUSSION:**

Request for Proposal (RFP) No. 2308 was posted on the City’s online bidding system, PlanetBids, on July 20<sup>th</sup>, 2023, seeking proposals from qualified professional mechanical engineering firms to provide a turnkey design service associated with the replacement of the heating, ventilation and air conditioning systems (HVAC) for the Mission Square Building. The proposals were to include HVAC improvement recommendations, preparation of drawings specification, estimates for improvement and construction administration services.

Table 1. RFP Notification Summary

| Action                             | Number of Vendors |
|------------------------------------|-------------------|
| City of Riverside Vendors Notified | 556               |
| External Vendors Notified          | 500               |
| Prospective Vendors                | 20                |
| Proposals Received                 | 8                 |

On July 26, 2023, a non-mandatory pre-proposal meeting was held and seven prospective bidders attended. Upon bid closing on August 24, 2023, the City received eight proposals. The evaluation panel included staff from RPU and the General Services Department. The proposals were evaluated according to the RFP selection criteria as noted below:

- a. Qualifications (15%)
- b. Pricing (10%)
- c. Prior Experience in similar commercial facilities (25%)
- d. Professional References (10%)
- e. Approach and Methodology specific to this project (40%)

Table 2. Evaluation Summary

| Vendor                       | Location     | Score (300 Max) | Amount    | Rank |
|------------------------------|--------------|-----------------|-----------|------|
| Goss Engineering Inc.        | Corona, CA   | 271.99          | \$93,400  | 1    |
| PBS Engineering, Inc.        | Glendora, CA | 263.68          | \$319,550 | 2    |
| Building Solutions Group MEP | Alhambra, CA | 262.28          | \$104,700 | 3    |

|                         |                    |        |           |   |
|-------------------------|--------------------|--------|-----------|---|
| IDS Group, Inc.         | Irvine, CA         | 262.03 | \$248,163 | 4 |
| Salas O'Brien           | San Jose, CA       | 253.00 | \$49,820  | 5 |
| IMEG Corporation        | Ontario, CA        | 249.53 | \$198,480 | 6 |
| Design West Engineering | San Bernardino, CA | 235.44 | \$111,190 | 7 |
| 15000 Inc.              | Rohnert Park, CA   | 233.07 | \$295,000 | 8 |

Following the evaluations, the top five vendors were selected to proceed forward with an interview. Upon scheduling the interviews, Goss Engineering decided to withdraw their proposal due to lack of staff and resources. Interviews were held on September 28, 2023. The interviews were evaluated according to the criteria as noted below:

- a. Pricing (10%)
- b. Estimated Time for Design Completion (10%)
- c. Experience (45%)
- d. Approach to the project (35%)

Table 3. Interviews Held

| Vendor                       | Location            | Score (300 Max) | Amount           | Rank      |
|------------------------------|---------------------|-----------------|------------------|-----------|
| <b>PBS Engineering, Inc.</b> | <b>Glendora, CA</b> | <b>266.68</b>   | <b>\$319,550</b> | <b>1</b>  |
| IDS Group, Inc.              | Irvine, CA          | 244.03          | \$248,163        | 2         |
| Salas O'Brien                | San Jose, CA        | 200.00          | \$49,820         | 3         |
| Building Solutions Group MEP | Alhambra, CA        | 191.28          | \$104,700        | 4         |
| Goss Engineering Inc.        | Corona, CA          | 0               | \$93,400         | Withdrawn |

Staff recommends awarding the proposal to PBS Engineering, Inc. based on their previous experience with similar size buildings, working with a building that does not have existing as-builts, no limit to onsite visits, time to complete design, and their overall approach to not support change orders, unless absolutely necessary and requested by the City. Additionally, as a part of the negotiation process, PBS Engineering agreed to reduce their proposal by \$19,850 for an award amount of \$299,700. It is estimated that the total project cost will be \$1,500,000.

The Purchasing Manager concurs that the recommended actions are in compliance with Purchasing Resolution No. 23914.

**STRATEGIC PLAN ALIGNMENT:**

This item contributes to the following strategic priorities and goals from the Envision Riverside 2025 Strategic Plan,

**Strategic Priority 4- Environmental Stewardship** and **Goal 4.1** Rapidly decrease Riverside’s carbon footprint by acting urgently to reach zero-carbon electric grid with the goal of reaching 100% zero-carbon electricity production by 2040 while continuing to ensure safe, reliable and affordable energy for all residents.

The project aligns with EACH of the five cross-cutting threads as follows:

1. **Community Trust** – Riverside is transparent and makes decisions based on sound policy and removing and replacing the current equipment with an improved Heating, Ventilation

and Air Conditioning system shows the City is maintaining and protecting their current assets.

2. **Equity** – Providing an improved Heating Ventilation, and Air Conditioning system at Mission Square ensures the safety and comfort for all RPU staff and private tenants occupying the building.
3. **Fiscal Responsibility** – The proposed action complies with the City’s procurement as outlined in Purchasing Resolution No. 23914.
4. **Innovation** – Riverside is inventive and timely in meeting the community’s changing needs and recommending approval for this Request for Proposal is ensuring the City is taking careful consideration in designing a complete removal and modification of the existing Heating, Ventilation, Air Conditioning system for the entire Mission Square Building that will last years to come.
5. **Sustainability & Resiliency** – Improving City owned facilities while utilizing sustainable products and services reinforces the City’s dedication to our Strategic Plan.

**FISCAL IMPACT:**

The total fiscal impact for the Professional Services Agreement is \$299,700. Sufficient funds for the contract (\$299,700) and the work order (\$1,500,000) for the project are available in the Mission Square Building Occupancy Division Account No. 6000030-462055.

|   |   |
|---|---|
| Prepared by:                              | Carl Carey, General Services Director                               |
| Approved by:                              | Todd M. Corbin, Utilities General Manager                           |
| Certified as to<br>availability of funds: | Kristie Thomas, Finance Director/ Assistant Chief Financial Officer |
| Approved by:                              | Rafael Guzman, Assistant City Manager                               |
| Approved as to form:                      | Phaedra A. Norton, City Attorney                                    |

Attachments:

1. Agreement with PBS Engineers, Inc.
2. Presentation