

Council Meeting of
September 18, 2012

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: General Services – Authorize the purchase of an evaporative condenser for the West Annex Air Conditioning System.

Expenditure: \$ 55,000

RECOMMENDATION

Recommendation of the General Services Director that City Council authorize the purchase of a RECOLD JC-110 evaporative condenser from SPX Cooling Technologies of Brea, California at a cost not to exceed \$55,000 including tax and delivery.

Funding

Funding is available in FEAP 751- Energy Projects

BACKGROUND/ANALYSIS

The City of Torrance FEAP program included plans for replacement of the West Annex Air Conditioning Condenser. Prior to scheduling of the advertisement of this work, the equipment failed and required repairs on both August 28 and 30, 2012. Repairs made by in-house and contractor employees required the shutdown of most areas within the West Annex for 8 and 6 hours respectively. The poor condition of the condenser tube bundles within the condenser indicated that additional failures could be expected at any time with extensive downtime possible of several days or longer. Such repairs would also result in added, unnecessary expenses prior to the unit's eventual replacement.

Time required to formally advertise, bid and award the work required is 6-8 weeks. An informal bidding process, normally associated with work under \$40,000, could be accomplished in 2 to 3 weeks. Given the current condition of the equipment a more expedient approach was recommended as most economical. In discussions with the City Manager it was recommended to solicit informal bids from at least 3 bidders as quickly as possible and request Council approve the emergency replacement of this equipment to eliminate added repair expense and associated impacts to citizens and employees. Solicitation of multiple bids would be included to insure competitive prices.

On September 6, 2010, a job walk was held with 4 area commercial air conditioning companies. The following bids were received on September 13, 2012 to furnish and install a RECOLD JC-110 condenser.

Precision Refrigeration and Air Conditioning \$ 125,300
 HVAC Mechanical \$142,000
 Xcel Mechanical – no bid response
 South Bay Heating and Air Conditioning -no bid response

After City staff reviewed the bids and the quote previously obtained from the equipment supplier (SPX Cooling Technologies) it appears that the commercial air conditioning companies have added a markup of over 50% for this equipment resulting in much higher costs than anticipated. It is therefore recommended that the City purchase the condenser directly from the manufacturer and coordinate installation of the equipment using City staff

It is therefore recommended that Council approve a Purchase Order with SPX Cooling Technologies in an amount not to exceed \$55,000 including tax and delivery. for a RECOLD JC-110 condenser. Delivery and subsequent installation of the equipment is estimated at 4-5 weeks.

Respectfully submitted,

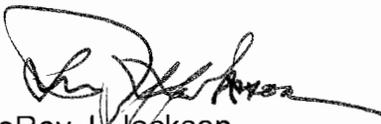
Sheryl Ballew
 General Services Director

By 
 Jon Landis
 Facility Services Manager

CONCUR:



Sheryl Ballew
 General Services Director


 LeRoy J. Jackson
 City Manager