



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2671
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CONSENT
December 5, 2006

Honorable Mayor and
 Members of the City Council

Title: Agreements: City Hall (Civic Center) Parking Garage Generator Upgrade (AA08)

Location/Council District: 1000 I Street, Council District 1

Recommendation: Adopt a **Resolution:** 1) Authorizing the City Manager execute Supplemental Agreement 2 to City Agreement 2006-1097 with California Data Center Design Group in the amount of \$63,760 for architectural and engineering design services related to the City Hall Parking Garage Generator Upgrade Project (AA08); 2) accepting Reliance Enterprises as the lowest responsible bidder for the City Hall Parking Garage Generator Upgrade Project (AA08); 3) approving the contract plans and specifications for the City Hall Parking Garage Generator Project (AA08); 4) awarding a construction contract to Reliance Enterprises for the City Hall Parking Garage Generator Upgrade Project (AA08) in an amount not to exceed \$1,080,338; 5) authorizing the City Manager to execute the construction contract with Reliance Enterprises for the City Hall Parking Garage Generator Upgrade Project (AA08) in an amount not to exceed \$1,080,338, and 6) approving various funding transfers to the City Hall Parking Garage Generator Upgrade Project (AA08) to cover the cost of the contract award.

Contacts: James Christensen, Senior Engineer, 808-5863 ; Cynthia Kranc, Facilities Manager, 808-2258

Presenters: Not Applicable.

Department: General Services

Division: Facilities and Real Property Management

Organization No: 3283

Description/Analysis

Issues: The City of Sacramento's main Data Center provides services that include VoIP telephone services, voice mail, Call Center Support, email and other City related computer services. If power is lost, the elevators and all Data Center services will stop from the moment power is lost. On March 31, 2006, the City of Sacramento's main Data Center experienced an electrical power outage. The existing generator on-site was unable to support the Data Center, thus, citywide telephone and computer services went down.

California Data Center Design Group was retained under an Emergency Contract (2006-1097) to perform an initial electrical system analysis of the standby generator which provides backup power for the Data Center because of the importance of the Data Center to the daily operations of the City of Sacramento.

Supplemental Agreement 1 was prepared to extend the contract expiration date to January 31, 2007. Supplemental Agreement 2 was prepared to have the consultant prepare the construction documents, based on the recommendations of the report.

Now that the analysis is complete and construction documents have been prepared the City should proceed quickly to acquire a new emergency generator. The generator that is currently in the facility cannot support the electrical needs of the Data Center.

Policy Considerations: Sacramento City Code Chapter 3.60 identifies the general guidelines for completing contracts for public projects and procedures for bidding and issuing contracts over \$100,000. Sacramento City Code 3.64 identifies the general guidelines for completing supplemental agreements.

Environmental Considerations: The Development Services Department, Environmental Planning Services Division, has reviewed this project and determined that it is exempt from the provisions of CEQA, (California Environmental Quality Act under Class 2, Section number 15302. Class 2, Section number 15302, and consists of the replacement or reconstruction of existing structures and facilities (generator) where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. The proposed generator replacement will provide increased power; however, the increase will accommodate the existing uses located within the structure and provide backup power to the areas not currently covered when power outages occur, including but not limited to the elevators and the Data Center services.

Rationale for Recommendation: The City of Sacramento's Main Data Center is critical to the smooth operations of the City of Sacramento. After the March 2006 power outage, ensuring that the Data Center has sufficient backup power to operate and support City services became a critical priority.

The original Emergency Contract with California Data Center was executed to identify how best to upgrade the electrical system to meet the needs of Data Center. Supplemental Agreement 2 was prepared so California Data Center Design Group could quickly implement the recommendations of the electrical systems analysis and prepare design drawings for the purpose of obtaining a permit, bidding, and construction. While the consultant agreement and supplemental agreements were approved based on an emergency situation, supplemental agreements in excess of \$25,000 require City Council approval. Staff is therefore requesting approval of Supplemental Agreement 2.

Once the construction documents were complete, staff bid the construction portion of the project. Construction contracts in excess of \$100,000 require City Council approval. The formal bidding for the City Hall Parking Garage Generator Upgrade project was processed in accordance with City Code 3.60 and Administrative Policy Instruction 48. The project was posted and the bids were opened on October 11, 2006. Staff received three bids and the results are listed below.

CONTRACTOR	BASE BID	TOTAL BID	ESBE %
Velluntini Corporation dba Royal Electric	\$976,600.00	\$976,600.00	1.3%
Reliance Enterprises	\$1,080,338.00	\$1,080,338.00	91.5%
Gwinn Construction	\$1,240,900.00	\$1,240,900.00	11.4%

While Velluntini Corporation dba Royal Electric, was the low-bidder they did not meet the City's Emerging Small Business goal of 20% or meet the minimum qualifications for the project. Pursuant to City Code Section 3.60.020 it was determined that Reliance Enterprises was the responsible low bidder, with the base bid of \$1,080,338.


Financial Considerations: The total estimated cost of the City Hall Parking Garage Generator Upgrade Capital Improvement Project (CIP #AA08) is \$1.387 million, which includes architectural and engineering design, awarding the construction contract, staff services and contingency costs. The following chart provides an overview of the funding for this project (*Note: * represents funds being transferred to AA08*):

Department / CIP Name	Description	Fund Name / Number	Amount
Parking Garage Generator	CIP #AA08	General Fund (101)	\$ 408,715
Information Technology	Department Carryover	General Fund (101)	\$ 296,900*
Information Technology	Municipal Fire Alarm System Balance	General Fund (101)	\$ 75,000*
Transportation Equipment Repair	CIP #VD51	Parking Fund (412)	\$ 231,167*
Public Safety Generator Upgrade (PSAF)	CIP #FB32	General Fund (101)	\$ 375,218*
Total Budget for AA08			\$1,387,000

The Information Technology (IT) Department has an approximate FY 2005/06 carryover of \$200,000, which will be brought forward with the City's Comprehensive Annual Financial Report (CAFR) in early 2007. To reduce the overall impact to the Public Safety Generator Program, staff will recommend to the City Council as part of the Mid-Year Budget Process that this carryover be appropriated to the PSAF Generator Upgrade Project (FB32).

Emerging Small Business Development (ESBD): The selection of consultants and contractors for this project followed City established guidelines for inclusion of ESBD firms. With an SBE/EBE percentage total of 91.5% Reliance Enterprises and their subcontractors are above the City's required 20% ESBD rate.

Respectfully Submitted by: 
Cynthia Kranc
Facilities Manager

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:


for 
Ray Kerridge
City Manager

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Background Information

Parking Lot I, the City Hall Parking Garage, formerly known as the "Waterfall Garage," is located at 1000 I Street, between 10th and 11th streets. The garage has eight stories of parking with multiple tenant spaces located on ground level. One of the tenants is the City of Sacramento's Information Technology (IT) Department. The IT Department's main Data Center is located at ground level within the garage. The Data Center services the City of Sacramento, including VoIP telephone services, voice mail, Call Center Support, email and other City related computer services.

On March 31, 2006, IT experienced a Phase A over voltage condition from Sacramento Municipal Utilities District (SMUD) caused by lightning. Power problems with SMUD lasted longer than the 30 minute capacity of the UPS and we were forced to shut down services. As a result, City offices lost VoIP telephone services, voice mail, Call Center support, e-mail and other computer services.

- An existing 200 kW natural gas generator currently provides standby power to the data center in the event of a disruption or loss of commercial SMUD power. The generator also feeds life safety loads for the parking garage which mostly consist of egress lighting circuits and fire alarm.
- The existing 200 kW generator is undersized for the Data Center. The Data Center HVAC loads have been removed from the generator, however, the generator still has frequency problems and cannot keep the Data Center operational. In addition, since the Data Center HVAC is not on the generator, even if it continued to provide power to the equipment, the Data Center temperature would increase rapidly, and all equipment would need to be shut down, to avoid damage due to high temperature.
- In early April, a consultant, California Data Center Design Group, was retained under an emergency contract to assess the standby electrical distribution system for the data center and to provide recommendations for upgrading the system. The consultant completed the report in May 2006. Supplemental Agreement 1 was prepared to extend the contract expiration date to January 31, 2007. Supplemental Agreement 2 was prepared to have the consultant prepare the construction documents, based on the recommendations of the report. The construction documents were completed in August 2006 and submitted to the Building Department and sent out for competitive bidding.
- Justification for the Emergency Contract was provided by the IT Department, as follows: The City's main data center is located at 904 11th Street on the ground floor of the City Hall parking garage. The data center is supported by an Uninterruptible Power Supply (UPS) that can only support the equipment electrical requirements for about 30 minutes. The generator that is currently in the facility cannot support the electrical needs of the data center.
- It is important that we proceed quickly to acquire a new emergency generator with enough capacity to keep the UPS charged and operate the HVAC systems indefinitely.

RESOLUTION # 2006-

Adopted by the Sacramento City Council

December 5, 2006

**APPROVING SUPPLEMENTAL AGREEMENT 2 TO CITY AGREEMENT 2006-1097
WITH CALIFORNIA DATA CENTER DESIGN GROUP, AWARDING A
CONSTRUCTION CONTRACT TO RELIANCE ENTERPRISES FOR
THE CITY HALL (CIVIC CENTER) PARKING GARAGE
GENERATOR UPGRADE AND APPROVING FUNDING TRANSFERS**

BACKGROUND

- A. The City of Sacramento's main Data Center provides services that include VoIP telephone services, voice mail, Call Center Support, email and other City related computer services.
- B. After the March 2006 power outage, ensuring that the Data Center has sufficient backup power to operate and support City services became a critical priority.
- C. An Emergency Contract with California Data Center was executed to identify how best to upgrade the electrical system to meet the needs of Data Center.
- D. City Code Chapter 3.64 identifies the general guidelines for obtaining professional service agreements between \$25,000 and \$100,000.
- E. City Code Chapter 3.60 identifies the general guidelines for completing contracts for public projects and procedures for bidding and issuing contracts over \$100,000.
- F. The formal bid process for the City Hall Parking Garage Generator Upgrade project has been completed based on the qualifications set forth by the City.
- G. Pursuant to City Code Section 3.60.020, it was determined that Reliance Enterprises was the responsive, responsible low bidder with a base bid of \$1,080,338.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager is authorized to execute Supplemental Agreement 2 to City Agreement 2006-1097 with California Data Center Design Group in the amount of \$63,760 for the architectural and engineering design services for the City Hall Parking Garage Generator Upgrade Project (AA08).

- Section 2. Reliance Enterprises is accepted as the lowest responsive, responsible bidder for the base bid for the City Hall Parking Garage Generator Upgrade Project (AA08).
- Section 3. The contract plans and specifications are approved and a construction contract is awarded to Reliance Enterprises for the City Hall Parking Garage Generator Upgrade Project, for the base bid of \$1,080,338.
- Section 4. The City Manager is authorized to execute a construction contract with Reliance Enterprises for City Hall Parking Garage Generator Upgrade Project (AA08) for the in an amount not to exceed \$1,080,338.
- Section 5. A transfer of \$296,000 (Fund 101) from the Information Technology Department FY 2004/05 Carryover to the City Hall Parking Garage Generator Upgrade Project (AA08) is approved.
- Section 6. A transfer of \$75,000 (Fund 101) from the Municipal Fire Alarm System (MFAS) balance to the City Hall Parking Garage Generator Upgrade Project (AA08) is approved.
- Section 7. A transfer of \$231,167 (Fund 412) from the Transportation Equipment Repair Project (VD51) to the City Hall Parking Garage Generator Upgrade Project (AA08) is approved.
- Section 8. A transfer of \$375,218 (Fund 101) from the Public Safety Generator Upgrade Project (FB32) to the City Hall Parking Garage Generator Upgrade Project (AA08) is approved.
- Section 9. A recommendation shall be included in the FY 2006/07 Midyear Report to allocate the Information Technology Department FY 2005/06 carryover (approximately \$200,000) to the Public Safety Generator Upgrade Project (FB32).