



## City Council Agenda Item Staff Report

CITY OF SAN BRUNO

---

**DATE:** April 12, 2022

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Jovan D. Grogan, City Manager

**PREPARED BY:** Matthew Lee, Director

**SUBJECT:** Adopt Resolution Related to the Emergency Replacement of the San Bruno Senior Center Chiller Unit: • Ratifying the Emergency Replacement Declaration of the Chiller Unit at the San Bruno Senior Center Authorized by the City Manager on March 30, 2022; • Waiving Competitive Bidding Requirements Pursuant to State Law and the San Bruno Municipal Code Due to the Existence of an Emergency; • Authorizing the City Manager to Execute Necessary Contracts to Mitigate the Emergency and to Appropriate Such Funds from the Building and Facility Fund Balance

**BACKGROUND:** On March 28, 2022, the Public Works Department was contacted regarding an error message from the chiller unit used to cool the San Bruno Senior Center. Staff contacted a repair vendor to diagnose the alert by selecting a vendor from the Department's Pre-Qualified Vendor List. It was discovered that one of 4 compressors had failed within the chiller unit and a third compressor was faulting. When attempting to repair the compressors, the other compressors also failed. The cost to replace one compressor was not prudent as the unit exceeded its useful life cycle and the cost outweighed the benefit. The chiller unit is currently 35 years old and has an average life cycle of approximately 20 years.

Due to the Senior Centers importance within the community, with programs like the active lunch program and its potential use as a cooling center, staff determined the need for replacement was urgent for such a critical facility to the community. Failure to act quickly would result in the lack of cooling for the entire building during peak summer months. Given the chiller unit procurement timelines and potential global supply chain issues, it would be prudent to engage in ordering the unit and initiating the repairs immediately to meet the peak demands of the chiller unit this summer. The Public Works Department requested authorization to move forward with immediate replacement of the chiller unit.

Under municipal code section 2.44.120.A, the City Manager authorized the replacement. A memo was issued to the City Council on March 30, 2022 (Attachment 2).

**DISCUSSION:** Under normal non-emergency conditions, a project of this size (between \$60,000 and \$200,000) would require an informal bidding process per the California Public Contract Code Section 22032 - California Uniform Public Construction Cost Accounting Act. Due to the failure at a facility that runs critical programs for seniors, the potential use of the facility as a cooling center, the timelines needed to ensure the chiller unit is replaced in time for the summer months, the chiller unit procurement timelines, and potential global supply chain issues; staff determined that it would be prudent to waive informal bidding process for this emergency repair.

Although the informal bidding process was waived, staff selected a contractor from the City's 2022 Prequalified Contractors List. This is allowed under emergency authority municipal code section 2.44.120.A and the California Public Contract Code Section 20168 which authorizes the City Manager to take such action in an emergency. The California State law and the San Bruno Municipal code requires that when the City Managers waives the bidding requirements due to an emergency council will need a 4/5<sup>th</sup> approval to ratify the action, which declares the emergency repair, waive the informal bidding process, and authorize the execution of the contract.

**FISCAL IMPACT:** The cost for this emergency replacement was \$117,161 and staff utilized the Building and Facility Fund Balance to establish a Purchase Order for the work

**ENVIRONMENTAL IMPACT:** The action is not a project subject to CEQA. City Council's action is not considered a "Project" per CEQA Guidelines and therefore no further environmental analysis is required.

**RECOMMENDATION:** Adopt Resolution Related to the Emergency Replacement of the San Bruno Senior Center Chiller Unit:

- Ratifying the Emergency Replacement Declaration of the Chiller Unit at the San Bruno Senior Center Authorized by the City Manager on March 30, 2022;
- Waiving Competitive Bidding Requirements Pursuant to State Law and the San Bruno Municipal Code Due to the Existence of an Emergency;
- Authorizing the City Manager to Execute Necessary Contracts to Mitigate the Emergency and to Appropriate Such Funds from the Building and Facility Fund Balance

**ALTERNATIVES:**

1. Reject staff's recommendation to ratify the emergency declaration, waive informal bidding, and authorization of contract.
2. Direct changes at the Dias to the resolution to ratify only a portion of the staff recommendation.

**ATTACHMENTS:**

1. Resolution
2. Authorization Request Memo dated March 29, 2022