



Monterey County

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Board Report

Legistar File Number: 18-1074

December 04, 2018

Introduced: 10/18/2018

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

Approve and authorize an increase to the aggregate total amount for the Countywide Service Agreements for HVAC Repair Services (Acco Engineered Systems, Inc.; Prime Mechanical; and, Val's Plumbing & Heating, Inc.) which were awarded from Request for Proposals RFP #10487, adding \$330,000 for a revised aggregate total amount of \$880,000 across all agreements through August 31, 2020.

RECOMMENDATION:

Approve and authorize an increase to the aggregate total amount for the Countywide Service Agreements for HVAC Repair Services (Acco Engineered Systems, Inc.; Prime Mechanical; and, Val's Plumbing & Heating, Inc.) which were awarded from Request for Proposals RFP #10487, adding \$330,000 for a revised aggregate total amount of \$880,000 across all agreements through August 31, 2020.

SUMMARY/DISCUSSION:

On October 6, 2015, the Monterey County Board of Supervisors approved the execution of 3 service agreements awarded from RFP #10487 for HVAC Repair Services for the County. Bidders awarded included Acco Engineered Systems, Inc., Prime Mechanical, and Val's Plumbing & Heating, Inc. Each individual agreement did not include a total agreement amount. The Board of Supervisors approved an aggregate amount of \$500,000 over the term of all agreements including the option to increase the cumulative "not to exceed" amount by up to 10% of the original aggregate amount of \$500,000. The 10%, \$50,000, was added to the cumulative amount on October 18, 2018 taking the aggregate total amount to \$550,000 in order for departments to pay pending invoices. Departments have begun submitting encumbrances for FY 18-19 leaving only \$80,000 available to date for the remaining two years on the contracts.

Services include, but are not limited to, supervision, labor, material, and equipment necessary to provide HVAC repairs, inspection, service, maintenance, start-up, testing, balancing, adjusting, repair, modification and replacement of mechanical, refrigeration and equipment and components including related controls, on an as-needed basis for County departments. Each Agreement is based upon County requirements as set forth in the terms and conditions of RFP #10487. Each Agreement is included in the Countywide Service Agreement schedule eliminating the need for separate agreements for each County Department. County departments are able to view each agreement, determine which contractor has the necessary resources available, and may select from the awarded contractors in a manner which best meets their individual needs.

Based on historical usage the yearly aggregate spent by County departments is approximately \$140,000 to \$160,000 across HVAC repair services agreements which includes Natividad

Medical Center. There have been several billing rate increases across the agreements in conjunction with the Consumer Price Index which correlates with an approximate five percent (5%) cost increase per year. Given the historic spend plus the projected increase in costs, it is estimated that the county will spend \$160,000 in the aggregate for all HVAC repair service agreements in FY18-19 and another \$170,000 in FY19-20. Therefore, at this time the county is requesting to add another \$330,000 to cover costs for the next 2 years for the HVAC Repair service agreements, for a revised aggregate total amount not to exceed \$880,000 across all agreements through August 31, 2020.

Because the total aggregate amount for all agreements awarded from RFP #10487 is set forth within the Board Order associated with these agreements upon approval by the Board of Supervisors rather than stated within each of the agreement documents, there are no amendments associated with this request.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this request, as has the Auditor-Controller's Office.

FINANCING:

Funds for these services are contained within the approved budget allocations of the departments utilizing the services. Expenditures will depend on the actual services requested by individual County departments. Based upon historical usage, the aggregate amount to be spent for all Agreements issued under RFP #10487 should not exceed \$880,000.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Security is a vital part of ensuring visitors as well as employees are safe when conducting business at a county facility.

- ☐ Economic Development
- ☒ Administration
- ☐ Health and Human Services
- ☒ Infrastructure
- ☐ Public Safety

Prepared by: Tom Skinner, MA III Contracts/Purchasing Dept., 5791

Approved by: Mike Derr, Contracts/Purchasing Officer, 4992

Attachments:

(to minimize the number of attachments, only one of the three agreements is attached to this board report along with its subsequent amendment No.1. All agreements contain essentially the same terms and conditions.)

- Board Order #A-12950 dated Oct. 6, 2015
- Acco, Engineered Systems, Inc. Agreement per RFP #10515
- Acco, Engineered Systems, Inc. Amendment No. 1 per RFP #10515

