



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #:	16-1093	Name:	Approve and Authorize Contract with Honeywell International Inc.
Type:	General Agenda Item	Status:	Passed
File created:	9/19/2016	In control:	Board of Supervisors
On agenda:	9/27/2016	Final action:	9/27/2016

Title:

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute a two year Professional Services Agreement by and between County of Monterey and Honeywell International, Incorporated, retroactive to 07/01/2016, to provide preventative maintenance and on call emergency services to the heating, ventilation, air conditioning and controls in the Public Safety Building and the Monterey County Jail, for time period 07/01/2016 to 06/30/2018, in the amount of \$130,000;
- b. Authorize a modification of the County standard liability language consistent with other county contracts with this vendor; and as requested by the Sheriff;
- c. Ratify and authorize the Auditor Controller to make payments to the vendor for the out of contract time period of 07/01/2016 to 09/27/2016 for reasons outlined below; and
- d. Approve and authorize the Contracts/Purchasing Officer or Contracts/ Purchasing Supervisor to approve up to three (3) future amendment to this Agreement where the future amendments do not significantly change the scope of work and do not add more than 10% to the Agreement, (\$13,000) bringing the total not to exceed cost of the agreement to \$143,000.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Agreement between County of Monterey and Honeywell International Inc, 3. Completed Board Order, 4. Executed Agreement

Date	Ver.	Action By	Action	Result
9/27/2016	1	Board of Supervisors	approved	

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute a two year Professional Services Agreement by and between County of Monterey and Honeywell International, Incorporated, retroactive to 07/01/2016, to provide preventative maintenance and on call emergency services to the heating, ventilation, air conditioning and controls in the Public Safety Building and the Monterey County Jail, for time period 07/01/2016 to 06/30/2018, in the amount of \$130,000;
- b. Authorize a modification of the County standard liability language consistent with other county contracts with this vendor; and as requested by the Sheriff;
- c. Ratify and authorize the Auditor Controller to make payments to the vendor for the out of contract time period of 07/01/2016 to 09/27/2016 for reasons outlined below; and
- d. Approve and authorize the Contracts/Purchasing Officer or Contracts/ Purchasing Supervisor to approve up to three (3) future amendment to this Agreement where the future amendments do not significantly change the scope of work and do not add more than 10% to the Agreement, (\$13,000) bringing the total not to exceed cost of the agreement to \$143,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute a two year Professional Services Agreement by and between County of Monterey and Honeywell International, Incorporated, retroactive to 07/01/2016, to provide preventative maintenance and on call

emergency services to the heating, ventilation, air conditioning and controls in the Public Safety Building and the Monterey County Jail, for time period 07/01/2016 to 06/30/2018, in the amount of \$130,000; and

- b. Authorize a modification of the County standard liability language consistent with other county contracts with this vendor; and as requested by the Sheriff; and
- c. Ratify and authorize the Auditor Controller to make payments to the vendor for the out of contract time period of 07/01/2016 to 09/27/2016 for reasons outlined below; and Approve and authorize the Contracts/Purchasing Officer or Contracts/ Purchasing Supervisor to approve up to three (3) future amendment to this Agreement where the future amendments do not significantly change the scope of work and do not add more than 10% to the Agreement, (\$13,000) bringing the total not to exceed cost of the agreement to \$143,000.

SUMMARY/DISCUSSION

The County Jail was erected in 1971 and was modified in 1978. The Public Safety Building (Sheriff's Office) was constructed in 1987. The heating, ventilation and air conditioning systems (HVAC) in both buildings are nearing the end of or have past their useful life span, are energy inefficient and are prone to an enormous amount of breakage and downtime. The buildings have been under contract with Honeywell International for several years, with the most recent maintenance contract expiring 06/30/2016. Honeywell has been the main HVAC vendor for the County, and has proprietary equipment that cannot be repaired by other companies. In Fiscal Year 2015-16, over 300 trouble tickets were generated due to problems with the HVAC systems at the Jail and the Public Safety Building.

The Resource Management Agency has partnered with the Sheriff's Office to pinpoint problem areas of the system, identify action plans to take, and to embark on a systematic replacement/rehabilitation of the parts of the system that are not functioning at peak efficiency.

The purpose of this maintenance contract is to provide the Sheriff's Office the necessary contract in order to address the needed ongoing maintenance of the facilities' current equipment and to be able to respond efficiently and effectively to breakages occurring within the existing equipment. There are two parts to the contract amendment. The maintenance costs for the system will be \$55,733 for FY 2016-17 and \$56,850 for FY 2017-18. There is also a reserve for billable labor for emergency repairs that are not covered under the preventative maintenance portion of the contract. This allowance is \$17,417.00 for the two year time period, and has been deemed essential due to the large volume of trouble tickets and age of the system.

This agreement was delayed because the Sheriff's Office requested an updated list of equipment under warranty (many changes were made during FY 2015-16), and a delineation of those pieces past useful life that would be covered only under the obsolescence part of the agreement. The obsolescence part of the contract states if Honeywell cannot fix or repair the part, the part simply gets removed from this service agreement, and a credit is issued back to the Sheriff's Office. The information was needed to enable appropriate contract management and insure that Sheriff's Office was paying only for services rendered.

A copy of this agreement is on file with the Clerk of the Board.

OTHER AGENCY INVOLVEMENT:

County Counsel, County Information Technology, Contracts/ Purchasing, and Auditor-Controller have reviewed and approved this agreement as to legal, technology, purchasing and fiscal provisions respectively. The Resource Management Agency has assisted the Sheriff's Office with monitoring of the system and review of the equipment listing, and has also reviewed this report. The vendor has requested that Section 8.01 be reworded from "sole negligence" to "negligence" and "willful misconduct" be reworded to "misconduct".

These changes were incorporated into other agreements between Honeywell and other county departments and are being made part of this agreement for consistency purposes. Risk Management has reviewed these changes, but cannot accept them. The Sheriff requests Board approval, as this equipment is proprietary, cannot be worked on by other vendors, therefore making approval of the contract operationally necessary.

FINANCING:

There is no increase in the General Fund Contribution as a result of this recommendation. The estimated annual contract amount was included in the Sheriff's Office Fiscal Year 2016-17 approved budget.

Submitted by: Nina Ryan, Management Analyst II Ext. 3708

Approved by: Steve Bernal, Sheriff/Coroner Ext. 3725

Attachment: Professional Services Agreement by and between the County of Monterey and Honeywell International, Incorporated retroactive from 07/01/2016 to 06/30/2018