

MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Brett Wood, Purchasing Manager

DATE: July 7, 2015

SUBJECT: Air Handling System Maintenance Services – Johnson Controls, Inc.

ACTION REQUESTED

1. Approve Blanket Purchase Order renewal with Johnson Controls, Inc. for air handling system maintenance services at the HHS Public Health Laboratory in Auburn, in the maximum aggregate amount of \$100,000, for the period of July 1, 2015 to June 30, 2018. Funding is provided by the Department of Health and Human Services.

BACKGROUND

The Department of Health and Human Services requires scheduled inspection and preventative maintenance services for the air handling system in the Public Health Laboratory in Auburn. The laboratory includes a Biosafety Level-3 laboratory (the BT Laboratory). This is a specialized trailer unit that was installed in 2005. The BT Laboratory has special air handling systems and a mechanical room with different equipment. The laboratory is one of 14 Level B laboratories in the State of California funded to provide laboratory reference services in the event of a bioterrorism incident. This service provides quicker testing and results in an emergency situation enabling Office of Emergency Services and other first responders to more quickly and accurately provide services to the community. In addition, the laboratory provides these services to 3 neighboring counties (El Dorado, Nevada, Sierra). The Centers for Disease Control maintains and updates protocols and equipment requirements for BT testing of select agents.

For the past three years, Placer County has contracted with Johnson Controls to maintain the Public Health Laboratory's air handling system. Johnson Controls is the original installer of the lab's Metasys-based air handling system. Metasys is Johnson Controls' proprietary building automation system that makes buildings smarter and more efficient by providing essential instrumentation and control, which potentially saves energy, lowers operational costs, and enables productive and secure environments.

In June 2009, Procurement Services negotiated an initial 3-year agreement with Johnson Controls of Folsom, CA for environmental control systems maintenance services for the Public Health Lab. The department indicates services have been good and the provisions of the existing Blanket Purchase Order (BPO) continue to meet their requirements. The resulting BPO expired on June 30, 2015.

Johnson Controls has agreed to renew with a 40.9% increase due to the addition of gas-fired boiler comprehensive maintenance and chiller annual preventive maintenance services to the Equipment List. As is standard with Johnson Controls multi-year contracts, subsequent contract years 2 and 3 will each increase 3%. The Department has been satisfied with the services provided by this vendor and concurs with Procurement's 3-year renewal recommendation.

Section 1.3(o) of the Purchasing Policy Manual allows the County to renew these contracts based on satisfactory services and reasonable pricing offered by the vendors. Therefore, your Board's approval is required to proceed with a new BPO in the maximum aggregate amount of \$100,000.

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FISCAL IMPACT

Upon your Board's approval, a new BPO will be awarded to Johnson Controls, Inc. of Folsom, CA in the maximum amount of \$100,000 for the period of July 1, 2015 through June 30, 2018. \$25,000 of Federal Funding is available in the Health and Human Services' FY 2015-16 Proposed Budget, and the remainder will be included in the FY 2016-17 and FY 2017-18 Requested Budgets. The entire cost will be paid for with federal funds. Therefore, no County General Fund match will be required. Funds are not encumbered until services are rendered against the BPO.

cc: Musau WaKabongo, Ph.D., PHM, HCLD/CC(ABB), Laboratory Director - Health and Human Services