



San Bernardino County

Legislation Text

File #: 1421, Agenda Item #: 58

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

December 17, 2019

FROM

BEAHTA R. DAVIS, Director, Regional Parks Department

SUBJECT

Participation Agreement for Cost Reduction Consulting Services

RECOMMENDATION(S)

Approve contract with Procure America for cost reduction consulting services for utilities at the nine regional County parks, for a five year term through December 17, 2024 for a total amount not-to-exceed \$1,000,000.

(Presenter: Beahta R. Davis, Director, 387-2340)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies.

FINANCIAL IMPACT

Approval of this item will not require additional Discretionary General Funding (Net County Cost). The total cost to the County will be 30% of utility costs savings realized throughout the contractual term and 30% of refunds provided on a one-time basis for a total amount not-to-exceed \$1,000,000. Payments for services rendered under this proposed contract are based on a contingent/performance based structure. Payments to Procure America (Vendor) will be issued upon realized utility savings and/or after the receipt of refunds as a direct result of the services provided by the Vendor.

The Real Estate Services Department - Utilities Division (RESU) is responsible for costs associated with the Vendor's services. Payments will be made from the Utilities budget. Sufficient appropriation is included in the 2019-20 budget and sufficient appropriation will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of this item will allow the County initiate a pilot program for cost reduction consulting services for utilities through the Regional Parks Department (Department). The Department operates and maintains nine regional parks throughout the County with varying utility demands at each park.

On June 25, 2019 the County of Orange signed contract RCA-017-19010018 with Procure America to provide cost recovery and reduction services. The provisions and pricing of the Contract was developed in a manner that could be extended to other counties for use. In this pilot program, the scope of work will be limited to utility audit, analysis and assessment for water, gas, and electricity usage at the nine regional parks within the

County.

The Community Services Group invested efforts researching the County of Orange contract with Procure America, collaborated with other County departments regarding a cost-savings pilot program to determine the scope of the project and potential contract with the vendor.

Upon Board of Supervisors approval of this contract, the Vendor will facilitate an initial kick-off meeting with the Department and RESD. Immediately following, the Department and RESD will provide the Department's utility usage and rates for all nine regional parks. The Vendor will conduct its analysis (45-90 days in length) and present recommendations for rate change. The Department obtains the right to accept or decline any of the recommendations. All accepted recommendations will be implemented immediately. Once the first set of invoices is received under the recommended rate change; the Vendor, Department, RESD, and Finance will assess the savings. Savings will be determined using the invoiced usage amount under the recommended rate compared to the original rate. The Department and RESD retain the right to meet regularly to assess the calculation of the savings. Savings will be determined on actual usage for each month under the recommended rate change compare to the original throughout the duration of the contract.

This recommendation aligns with the County and Chief Executive Officer Goals and Objectives to Improve County Government Operations; Operate in a Fiscally-Responsible and Business-Like Manner; and Pursue County Goals and Objectives by Working with Other Agencies.

PROCUREMENT

The County of San Bernardino Purchasing Department reviewed the Orange County RFP process and stated that it satisfies County of San Bernardino procurement policies, and includes all appropriate regional participation clauses to enable the County to participate for the same services at the same costs pursuant to its own contract.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Dawn Martin, Deputy County Counsel, 387-4322) on November 22, 2019; Purchasing (Michelle Churchill, Supervising Buyer, 387-2070) on November 22, 2019; Finance (Elias Duenas, Administrative Analyst, 387-4052) on November 22, 2019; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on December 2, 2019.