



# San Bernardino County

## Legislation Text

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**File #: 1463, Agenda Item #: 8**

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

**December 17, 2019**

#### **FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

#### **SUBJECT**

Contract with ACCO Engineered Systems, Inc.

#### **RECOMMENDATION(S)**

Authorize Purchasing Agent to increase Contract No. 4400004925 with ACCO Engineered Systems, Inc., in the amount of \$500,000, from \$1,550,000, to \$2,050,000 for the period of December 1, 2015 through November 30, 2020, for unexpected repairs of the heating, ventilation, air conditioning and refrigeration systems.

(Presenter: William L. Gilbert, Director, 580-6150)

#### **COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

#### **FINANCIAL IMPACT**

Approval of the recommendation with ACCO Engineered Systems, Inc. (ACCO) will not result in the use of Discretionary General Funding (Net County Cost) as the increase of \$500,000 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Sufficient appropriation and revenue are included in the Arrowhead Regional Medical Center (ARMC) 2019-20 budget and will be included in future recommended budgets.

#### **BACKGROUND INFORMATION**

The HVACR systems provide for the required environment of care standards as it relates to infection control plans and procedures that are reviewed by Cal OSHA, Centers for Medicaid/Medicare Services and The Joint Commission annually. The HVACR systems are essential to ARMC life support systems as they provide positive, neutral and negative pressures to procedure areas, operating rooms and intensive care units. HVACR systems assist with infection control through required indoor air exchanges, ambient temperatures, and humidity levels necessary to maintain operation licenses.

The majority of HVACR systems and building infrastructure at ARMC located at 400 North Pepper Avenue, San Bernardino are the original systems commissioned into service during construction of the facility in 1997; and have been in 24-hour operation since building occupancy in March 1999. The life expectancy of these systems according to American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) is 20 to 25 years when properly maintained. With the equipment coming to the end of its useful life, it is

vulnerable to catastrophic failure; such repairs could be unexpected and extremely costly. Recently, ACCO performed repairs on the cooling tower motor, pulleys, valves, and heat distribution panels to prevent catastrophic failures to the HVACR systems.

ARMC has a first quarter CIP request to establish a project to study the facilities infrastructure including the mechanical, electrical and plumbing building components, which include the HVACR systems for future replacement projects as well as on going CIP's for system upgrades. Approval of the contract increase with ACCO will provide assurance that ARMC can rapidly engage the contractor to perform repair of the HVACR systems when needed through the end of the contract period. This supports the County goal to Provide for the Safety, Health and Social Service Needs of County Residents.

#### **PROCUREMENT**

On November 17, 2015 (Item No. 11), the Board of Supervisors (Board) authorized the Purchasing Agent to issue a Master Blanket Purchase Order No. 165987 with ACCO Engineered Systems, Inc. in the amount of \$900,000 for the three-year period of December 1, 2015, through November 30, 2018, with an option to extend for one additional two-year period, for unexpected repair of the heating, ventilation, air conditioning and refrigeration systems. Master Blanket Purchase Order No. 165987, for unexpected repairs, was subsequently converted to Contract No. 4400004925 in SAP

On September 25, 2018 (Item No. 10), the Board of Supervisors (Board) authorized the Purchasing Agent to increase Contract No. 4400004925 with ACCO Engineered Systems, Inc., by the amount of \$300,000, from \$900,000 to \$1,200,000, and exercise the option to extend the purchase order contract for one additional two-year period, for the total period of December 1, 2015, through November 30, 2020, for unexpected repairs of the heating, ventilation, air conditioning and refrigeration systems.

On February 12, 2019 (Item No. 9), the Board of Supervisors (Board) authorized Purchasing to increase Contract No. 4400004925 with ACCO Engineered Systems, Inc. by the amount of \$350,000, from \$1,200,000 to \$1,550,000, with no changes to the contract period of December 1, 2015, through November 30, 2020, for unexpected repairs of the heating, ventilation, air condition and refrigeration systems.

The procurement was a result of a Request for Proposal award and the Master Blanket Purchase Order was issued based on the vendor's submitted proposal and County Standard Master Blanket Order terms and conditions.

#### **REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Michael Markel, Principal Assistant County Counsel, 387-5455) on October 24, 2019; Purchasing Department (Ricardo Salazar, Supervising Buyer, 387-2060) on October 25, 2019. Finance (Amanda Trussell, Principal Administrative Analyst, 387-4773) on December 2, 2019; and County Finance and Administration (Katrina Turturro, Deputy Executive Officer, 387-5423) on December 2, 2019.