

BOARD MEETING DATE: October 7, 2016

AGENDA NO. 9

PROPOSAL: Execute Sole Source Contract for Maintenance and Service Agreement for SCAQMD Headquarters' Energy Management System

SYNOPSIS: SCAQMD currently contracts with Siemens Building Technologies, Inc. to maintain SCAQMD headquarters' energy management system, consisting of software and hardware to operate the building's heating, ventilation and air conditioning. This action is to enter into a new agreement for these services, to continue through June 30, 2019. Funding has been included in the FY 2016-17 Budget and will be requested in successive fiscal years.

COMMITTEE: Administrative, September 9, 2016; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Executive Officer to execute a sole-source contract, from October 7, 2016 through September 30, 2019, with Siemens Building Technologies, Inc., for maintenance and service of SCAQMD headquarters' energy management system, in an amount not to exceed \$98,563.

Wayne Nastri
Acting Executive Officer

AJO:BJ

Background

SCAQMD headquarters utilizes an energy management system (EMS), consisting of software and hardware to operate the building's heating, ventilation and air conditioning (HVAC) through Siemens computerized controllers and Apogee software. The software is specific to Siemens equipment and provides a central control point for the EMS, to monitor and adjust HVAC equipment. The EMS requires routine preventive maintenance and periodic service to assure effective and efficient operation. SCAQMD has contracted with the original equipment manufacturer, Siemens Building Technologies, Inc., for these services since 1991.

Proposal

The continued services from Siemens are required to maintain, diagnose, troubleshoot, and remedy any software or hardware problems that occur with the building's EMS. The current Siemens Apogee software has performed without incident. As part of the service contract, Siemens provides a technical support person every month to update and maintain the EMS system. The service provided has been of the highest quality. In addition, as staff has been converting HVAC temperature controls from pneumatic to Direct Digital Control, Siemens has been assisting with installation and programming of the new equipment. Therefore, staff recommends that the Board award a sole-source maintenance and service agreement to Siemens.

Going forward, the EMS will not be restricted to Siemens equipment and software. Staff is currently in the process of replacing the central plant equipment (chillers, pumps and cooling towers), which will include new building energy management software that is compatible with the Siemens products and services. This will allow for more options and flexibility in future expansion and conversion of the energy management systems and programs.

Sole-Source Justification

Section VIII, B(2) of SCAQMD's Procurement Policy and Procedure identifies four major provisions under which a sole-source award may be justified. This request is made under provision B(2)(c)(2): the needed services are available only from the sole-source and involve the use of proprietary technology. Both software and hardware are proprietary, and Siemens is the original equipment manufacturer for each.

Resource Impacts

The total maintenance and service agreement cost is \$98,563, which includes \$25,479 for FY 2016-17, \$35,644 for FY 2017-18, and \$37,440 for FY 2018-19. Funding has been included in the FY 2016-17 Budget and will be requested in successive fiscal years.