

BOARD MEETING DATE: December 2, 2022

AGENDA NO. 10

PROPOSAL: Transfer and Appropriate Funds, Issue Purchase Orders for Building-Related Equipment, and Execute Sole Source Contract for Replacement of Pollution Control Unit Exhaust Systems

SYNOPSIS: South Coast AQMD's headquarters building periodically requires repairs and upgrades to its systems and equipment. This action is to transfer and appropriate \$189,000 from the Infrastructure Improvement Fund (Fund 02) to Administrative and Human Resources' FY 2022-23 Budget, Capital Outlays Major Object to issue sole source purchase orders for HVAC equipment and security cameras. In addition, this action is to approve a sole source contract with Air Cleaning Technology to utilize FY 2022-23 budgeted funds in the amount of \$445,000 for the replacement of two pollution control unit exhaust systems for the on-site cafeteria.

COMMITTEE: Administrative, November 10, 2022; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer and appropriate \$189,000 from the Infrastructure Improvement Fund (Fund 02) to Administrative and Human Resources' FY 2022-23 Budget, Capital Outlays Major Object, Capital Outlays account;
2. Authorize the Procurement Manager to issue a purchase order to R.F. MacDonald Co. in an amount not to exceed \$98,000 for the retubing of the hot water boiler;
3. Authorize the Procurement Manager to issue a purchase order to SecSol, Inc., dba Security Solutions in an amount not to exceed \$91,000 for the replacement of five security cameras and purchase and installation of three (3) new security cameras; and
4. Authorize the Executive Officer to execute a sole source contract with Air Cleaning Technology (ACT) in an amount not to exceed \$445,000 for the replacement of two pollution control unit exhaust systems for the on-site cafeteria.

Wayne Natri
Executive Officer

Background

Built in 1991, South Coast AQMD's Diamond Bar headquarters building requires ongoing maintenance, repairs and upgrades to its operational systems and equipment. Long-term planning, routine inspections and periodic assessments identify projects to improve the work site or to prevent future breakdowns.

Unbudgeted fixed assets above \$10,000 require Board action to allocate funding and to authorize the expenditure. This action is to appropriate funding and to authorize the Procurement Manager to acquire equipment necessary for three critical functions at South Coast AQMD's headquarters building.

Proposal

The Infrastructure Improvement Special Revenue Fund (Fund 02) was established for capital outlay building-related improvement projects. Staff requests an appropriation of \$189,000 from Fund 02 to Administrative and Human Resources' FY 2022-23 Budget, Capital Outlays Major Object, Capital Outlays account. Staff further recommends authorizing the Procurement Manager to issue purchase orders to: 1) R.F. MacDonald Co. for the retubing of the hot water boiler at a cost not to exceed \$98,000; and 2) SecSol, Inc., dba Security Solutions for the replacement of five existing parking lot security cameras and the purchase and installation of three new parking lot security cameras at a cost not to exceed \$91,000.

The building's boilers were purchased and installed in 2012. During a recent annual inspection, evidence of corrosion and leaks were discovered in the internal hot water tubes. Retubing the boilers will restore them to near new condition, providing optimal performance and increased fuel efficiency for the heating of the South Coast AQMD headquarters building.

Lenel is the manufacturer and supplier of the Altronix closed-circuit television (CCTV) and Lenel Card Reader Security System currently in use at South Coast AQMD. SecSol, Inc., dba Security Solutions has been providing critical services, support and product upgrades for South Coast AQMD's CCTV and security system since 2002. To improve security, five of the existing cameras in place to monitor the parking lot for security purposes will be upgraded from analog to digital and three new cameras will be installed to the exterior of the headquarters building.

Staff also recommends authorizing the Executive Officer to execute a sole source contract with ACT for the replacement of two pollution control unit (PCU) exhaust systems. Current budgeted funding of \$445,000 in Administrative and Human Resources' FY 2022-23 Budget, Capital Outlays Major Object, Capital Outlays account is sufficient for the replacement of the two PCU exhaust systems used in the on-site cafeteria.

The Gaylord Industries pollution control unit exhaust systems were purchased and installed during the initial construction of the South Coast AQMD Diamond Bar headquarters to control emissions from cafeteria operations. The PCU exhaust systems are in need of replacement. South Coast AQMD currently has a service agreement with ACT to provide maintenance on the equipment and is also the only local authorized dealer and certified installer of Gaylord Industries pollution control unit exhaust systems.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole-source award may be justified. For the retubing of the hot water boiler, the request for sole source purchases from R.F. MacDonald Co is made under Sections VIII.B.2.c(1): The unique experience and capabilities of the proposed contractor or contractor team; and VIII.B.2.d(6): Projects requiring compatibility with existing specialized equipment. For the Altronix CCTV security cameras, the request for sole source purchases from SecSol, Inc., dba Security Solutions is made under Sections VIII.B.2.c(1): The unique experience and capabilities of the proposed contractor or contractor team; VIII.B.2.c(2): The project involves the use of proprietary technology; and VIII.B.2.d(6): Projects requiring compatibility with existing specialized equipment. For the Gaylord Industries PCU exhaust systems, the request for sole source contract with ACT is made under Sections VIII.B.2.b: Public health or property may be endangered by delay; VIII.B.2.c(1): The unique experience and capabilities of the proposed contractor or contractor team; and VIII.B.2.d(6): Projects requiring compatibility with existing specialized equipment.

Resource Impacts

Funding of \$189,000 for the retubing of the hot water boiler and the replacement and purchase of security cameras will be appropriated from the Infrastructure Improvement Fund (Fund 02) to Administrative and Human Resources' FY 2022-23 Budget, Capital Outlays Major Object, Capital Outlays account. FY 2022-23 budgeted funds in the amount of \$445,000 in the Administrative and Human Resources' FY 2022-23 Budget, Capital Outlays Major Object, Capital Outlays account are sufficient for the replacement of the two PCU exhaust systems.