



City of Arts & Innovation

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 16, 2020**

FROM: GENERAL SERVICES DEPARTMENT **WARDS: ALL**

SUBJECT: SERVICES AGREEMENT WITH SIEMENS INDUSTRY, INC. TO PROVIDE BUILDING AUTOMATION SERVICES FOR HEATING, VENTILATION, AND AIR CONDITIONING AT VARIOUS CITY FACILITIES FOR A TERM OF FIVE YEARS BEGINNING JULY 1, 2020 THROUGH JUNE 30, 2025 FOR A TOTAL CONTRACT AMOUNT OF \$289,909 IN ACCORDANCE WITH PURCHASING RESOLUTION NO. 23256, SECTION 702 (E).

ISSUE:

Approve a Services Agreement with Siemens Industry, Inc. of Cypress, California to provide building automation services for heating, ventilation and air conditioning at various City facilities for a term of five years beginning July 1, 2020 through June 30, 2025, for a total contract amount of \$289,909 in accordance with Purchasing Resolution 23256, Section 702 (e).

RECOMMENDATIONS:

That the City Council:

1. Approve a Services Agreement with Siemens Industry, Inc., of Cypress, California, in the amount of \$289,909 for HVAC building automation technical support and equipment for a term of five years beginning July 1, 2020 through June 30, 2025, with the option to extend for two additional one year terms, in accordance with Purchasing Resolution 23256, section 702(e);
2. Authorize the City Manager or his designee to execute the Professional Services Agreement with Siemens Industry, Inc., including making minor and non-substantive changes, and the optional contract extensions.

BACKGROUND:

The City has contracted with Siemens Industry, Inc. for more than 20 years for HVAC building automation technical support services and equipment. During this time, the City installed and now uses the Siemens Apogee Building Automation System as the standard for an Energy Management System (EMS), also known as a building automation system.

DISCUSSION:

The primary function of an EMS is to control, monitor and troubleshoot the HVAC systems throughout the facilities. The Siemens system can also be used to implement energy management strategies and provide control and monitoring of other building systems through integration (such

as fire, lighting, security, etc.). The Siemens system is installed at the following City facilities:

| | |
|-------------------------------------|-------------------------------|
| Airport | Main Library |
| City Corporation Yard | Lincoln Street Police Station |
| City Hall and City Council Chambers | Orange Street Police Station |
| Emergency Operation Center | Utilities Operation Center |
| La Sierra Library | Utilities Orange Square |

Siemens automation systems are proprietary and cannot be linked with any other vendor's automated HVAC controls. Siemens Industry, Inc. is the only provider of the Siemens Apogee Building Automation System. Siemens is also the only service provider able to furnish the necessary software upgrades.

Furthermore, Siemens offers competitive pricing through the Sourcewell (Formerly NJPA) Awarded Contract 031517-SIE. This cooperative purchasing program has been competitively bid nationally and meets the City's procurement requirements under Purchasing Resolution 23256, Section 702 (e), which provides that competitive procurement through the formal and informal procurement process shall not be required when "Cooperative Purchasing is available and undertaken or when Services can be obtained through Federal, State and/or other public entity pricing contracts or price agreements".

The Purchasing Manager concurs that this purchase is in compliance with Purchasing Resolution No. 23256, Section 702 (e).

FISCAL IMPACT:

The total fiscal impact of this action is \$289,909. Sufficient funds will be available in the General Services Account No. 2210000-421000 for the first year following Council's adoption of the FY 2020/21 proposed budget. Additional funds will be budgeted in the future budget cycles

| Year | Period | Annual Cost |
|--------------|------------------------------|-------------------|
| 1 | Jul 01, 2020 to Jun 30, 2021 | \$ 54,606 |
| 2 | Jul 01, 2021 to Jun 30, 2022 | \$ 56,244 |
| 3 | Jul 01, 2022 to Jun 30, 2023 | \$ 57,931 |
| 4 | Jul 01, 2023 to Jun 30, 2024 | \$ 59,669 |
| 5 | Jul 01, 2024 to Jun 30, 2025 | \$ 61,459 |
| Total | | \$ 289,909 |

Prepared by: Carl Carey, General Services Director

Certified as to

availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer

Approved by: Moises Lopez, Deputy City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachment: Agreement for Building Automation Services