



Board Agenda Item 32

DATE: May 25, 2021

TO: Board of Supervisors

SUBMITTED BY: Margaret Mims, Sheriff-Coroner-Public Administrator

SUBJECT: Agreement with H.E.R.O.S. Inc. to provide Specialty Overhaul and Repair Services for Turbine Engines in two MD500 and one MD530 Helicopters

RECOMMENDED ACTION(S):

- 1. Make a finding that it is in the best interest of the County to waive the competitive bidding process, consistent with Administrative Policy No. 34, for unusual or extraordinary circumstances for overhaul and repair services, as H.E.R.O.S. Inc. is the only vendor that can provide exceptional services in a timely manner and minimize aircraft downtime; and**
- 2. Approve and authorize the Chairman to execute an Agreement with H.E.R.O.S. Inc. for the Rolls Royce Model 250 turbine engine, engine gear boxes, and related components for the Sheriff's Office aircraft, consisting of two McDonnell Douglas (MD) 500E and one MD530F helicopters, effective November 16, 2021 through November 16, 2026, not to exceed five consecutive years, which includes a three-year base contract and two optional one-year extensions, total not to exceed \$1,500,000.**

Approval of the recommended actions will allow the Sheriff's Office to waive the competitive bidding process to contract with H.E.R.O.S. Inc., a specialized vendor that provides exceptional services in a timely manner for the Rolls Royce Model 250 turbine engines, engine gear boxes, and related components for the Sheriff's Office's two MD500E and one MD530F helicopters. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. H.E.R.O.S. Inc. and Dallas Airmotive (out of Dallas, Texas) are the only two vendors that provide services for the Rolls Royce turbine engines. Your Board could choose Dallas Airmotive, but it is not a preferred option, due to the fact that Dallas Airmotive does not specialize in Rolls Royce engines. Non-approval of the recommended actions will result in the Sheriff's Office not obtaining an agreement with H.E.R.O.S. Inc. to provide the exceptional overhaul and repair services for the Sheriff's Office's two (2) MD500E and one (1) MD530F helicopters' Rolls Royce turbine engines, which are necessary for functionality. It is essential that these necessary services do not lapse, as a lapse would cause severe degradation to the Sheriff's helicopters.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

H.E.R.O.S. Inc. was based out of Valencia, California, but has now moved to Chandler, Arizona. H.E.R.O.S. Inc. is specialized and was found to be the only vendor that could provide exceptional services for the Rolls Royce Model 250 turbine engines in the Sheriff's Office's two (2) MD500E and one (1) MD530F helicopters. The Sheriff's Air Support Unit began using H.E.R.O.S. Inc. for overhaul and repair services via Purchase Orders in October 2013. On November 15, 2016, your Board approved Agreement No. A-16-661 with H.E.R.O.S. Inc. H.E.R.O.S. Inc. also offers discounted rates up to 30 percent when purchasing Federal

Aviation Administration (FAA) approved parts needed for repairs and preventative maintenance. Dallas Airmotive also provides overhaul services for the Rolls Royce Model 250 series of engines. However, Dallas Airmotive does not specialize in Rolls Royce engines, but rather services a wide range of large turbine engines used in commercial jet aircraft.

For these reasons, it is recommended that the Board waive the competitive bidding process to ensure these critical aircraft overhaul and repair services continue for the Sheriff's Air Support Unit. The ISD - Purchasing Division concurs with the recommended process.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended agreement is in the amount of \$1,500,000 during the term of its three-year base term, plus the two potential one-year extensions. Funding for the recommended agreement is included in the Sheriff-Coroner-Public Administrator's FY 2020-21 Adopted Budget for Org 3111, and will be included in future Requested Budgets.

DISCUSSION:

Prior to October 2013, the Sheriff's Office used Rolls Royce Oakland to provide overhaul and repair services for the two existing MD500E helicopters' Rolls Royce Model 250 turbine engines. After experiencing a drop in the quality of work performed by Rolls Royce Oakland, the Sheriff's Office has been using H.E.R.O.S. Inc. for engine overhaul and services since 2013. Rolls Royce Oakland is no longer in business.

In October 2013, the Sheriff's Air Support Unit began using H.E.R.O.S. Inc. for overhaul and repair services via Purchase Orders. On November 15, 2016, your Board approved Agreement No. A-16-661 with H.E.R.O.S. Inc.

The Sheriff's Office purchased the MD530F from MD Helicopters, Inc. in January 2018. The Sheriff's Office is expecting turbine engine inspection and overhaul on the MD530F, as well as one of the MD500E's, in the next fiscal year. These inspections and overhauls are required based on operating hours.

The Sheriff's Office Air Support Unit needs to continue to have an ongoing agreement with H.E.R.O.S. Inc. to provide engine overhaul and repair services for the Sheriff's three MD helicopters. The recommended agreement is needed to continue with scheduled maintenance and unscheduled repairs and maintenance. The recommended agreement will also allow for quick turnaround times on service, repairs, and overhauls to aircraft that are out of service because of turbine engine issues.

On August 9, 2016, your Board approved an agreement with Advanced Helicopter Services (AHS) to provide maintenance services for the Sheriff's two MD500E, one MD530F Helicopters and one Cessna 206 airplane. The agreement with AHS is primarily to provide routine maintenance to the Sheriff's aircraft, and not for major engine overhauls, which would be provided by this recommended agreement. The Sheriff's Office brought to your Board a new agreement on April 27, 2021 with AHS for these routine maintenance services, to be effective on August 1, 2021.

REFERENCE MATERIAL:

BAI #25, April 27, 2021
BAI #21, November 15, 2016
BAI #28, August 9, 2016
BAI #6, December 15, 2015

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Form
On file with Clerk - Agreement with H.E.R.O.S. Inc.

CAO ANALYST:

Yussel Zalapa