



Board Agenda Item 38

DATE: September 11, 2018

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director of Internal Services/Chief Information Officer

SUBJECT: Assignment and First Amendment to Agreement 16-452 for HVAC
Chemical Treatment Services

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute an assignment of Agreement No. 16-452 from Ramco Service Inc., dba Pacific Water Technologies, to Blue Tech Water, Inc. dba Ramco Services and Pacific Water Technologies, effective May 17, 2018.**
2. **Approve and authorize the Chairman to execute First Amendment to Agreement No. 16-452 with Blue Tech Water, Inc. dba Ramco Services and Pacific Water Technologies for HVAC chemical treatment services, effective upon execution with no change in term to July 11, 2021 and increasing the maximum by \$250,000 to a total potential five-year cost not to exceed \$1,500,000.**

Approval of the recommended actions will assign the existing Agreement 16-452 with Ramco Services Inc., dba Pacific Water Technologies (RAMCO) to Blue Tech Water, Inc. dba Ramco Services and Pacific Water Technologies (Blue Tech Water), increase the maximum Agreement cost from \$1,250,000 to \$1,500,000, and allow Facility Services to continue the necessary water treatment services for County facilities. This item affects locations countywide.

ALTERNATIVE ACTION(S):

Not approving the recommended actions could result in disruption to water treatment services required for the safe and efficient operation of mechanical systems within County facilities.

RETROACTIVE AGREEMENT:

The recommended assignment of agreement is retroactive to May 17, 2018, the date when RAMCO was purchased by Blue Tech Water.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The total maximum annual cost shall not exceed \$300,000. The total maximum cost for five years is \$1,500,000. Sufficient appropriations are included in the FY 2018-19 Facility Services Org 8935 Adopted Budget. Appropriations will be included in subsequent requested budgets.

DISCUSSION:

On July 12, 2016, your Board approved Agreement 16-452 with RAMCO to provide chemical treatment services for HVAC systems at various County owned facilities. The approved Agreement was for a three-year term with the option for two, one-year extensions, with a maximum annual cost of \$250,000, not to exceed \$1,250,000 over the potential five-year term. The chemical treatment of these mechanical systems is necessary to maintain energy efficiency by inhibiting the build-up of scale and corrosion of pipes, and protecting the health of occupants by preventing the growth of bacteria.

In several cooling towers, conversion to a different biocide type and a more accurate method of dispensing was necessary to ensure the continued safety of building occupants. In many service locations, the existing dosage devices are old and do not have the functions to perform the new applications. Ongoing costs will be reduced by replacing these older dosage devices. The Main Jail, Central Kitchen, and Crocker building have been converted to the new chemical types. Replacement of the dosage devices has resulted in a dramatically reduced volume of chemicals used. The Main Jail is expected to use approximately one 55-gallon drum of chemical per year, as opposed to the 8 to 10 drums previously required.

Effective May 17, 2018 RAMCO sold its corporate assets to Blue Tech Water. As a result of the acquisition of RAMCO by Blue Tech Water, the parties are requesting the County consent to the assignment of all of RAMCO's rights and obligations under the County's current agreement with RAMCO to Blue Tech Water.

Approval of the first recommended action will assign all rights, interests, obligations, responsibilities, and liabilities of RAMCO under the existing Agreement 16-452 to Blue Tech Water. The Assignment shall be retroactive to May 17, 2018, the date that Blue Tech Water purchased RAMCO. All other terms and conditions remain the same.

Approval of the second recommended action will increase the total potential 5-year compensation by \$250,000, for a maximum of \$1,500,000 and allow the replacement of old chemical dosage devices. All other terms of the agreement will remain the same.

REFERENCE MATERIAL:

BAI #10, July 12, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Assignment of Agreement 16-452
On file with Clerk - Amendment I to Agreement 16-452

CAO ANALYST:

Juan Lopez