



Board Agenda Item 42

DATE: April 23, 2024

TO: Board of Supervisors

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

SUBJECT: Termination of Agreement with R.F. MacDonald, Co.

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Director of Internal Services/Chief Information Officer, or their designee, to give 30-day prior written notice to R.F. MacDonald, Co., to terminate Agreement No. 22-346 effective May 31, 2024, pursuant to the Without Cause provision of the Agreement; and**
- 2. Approve and authorize the Director of Internal Services/Chief Information Officer, or their designee, subject to approval by County Counsel as to legal form, to execute any documents or certifications necessary to effect the termination of Agreement No. 22-346.**

Approval of the recommended actions will allow the without cause termination of agreement No. 22-346 (Agreement) with R.F. MacDonald, Co. (R.F. MacDonald), pursuant to Section 4(C) - Without Cause, of the Agreement. The Agreement was nearing the end of the second year of the total five-year term and was intended to provide boiler inspection, maintenance, testing, and repair services to boilers located at various locations across the County. Due to the need to improve operational efficiencies and increase the consistency of maintenance and repairs across all County heating, ventilation, and cooling (HVAC) systems, the Internal Services Department, Facility Services division (ISD-Facility Services) procured a full-service maintenance agreement that will consolidate all of the County's maintenance for HVAC systems under one agreement and under one service provider. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended actions, ISD-Facility Services would continue to pay for services through the end of the term, August 8, 2027, while receiving duplicate maintenance and reporting services under a different service provider.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The Agreement includes \$1,075,000 for annual inspections and preventative maintenance, monthly emission monitoring, and source testing, and an additional \$925,000 for any additional services. As of March 19, 2024, invoices submitted and approved total approximately \$362,809 and there is one invoice totaling approximately \$1,430 pending payment.

DISCUSSION:

On August 9, 2022, your Board approved the Agreement with R.F. MacDonald for inspection, maintenance, monitoring, testing, and repair for boiler systems, for a potential five-year term not to exceed \$2,000,000.

Due to a need to improve operational efficiencies and increase the consistency of maintenance and repairs across all County heating, ventilation, and cooling (HVAC) systems, ISD-Facility Services began exploring available options.

On April 9, 2024, your Board approved agreement No. 24-154 with ACCO Engineered Systems, Inc. (ACCO), through piggyback of an Omnia Partners agreement, for full-service maintenance of the County's HVAC systems. These services would not only include the boiler systems currently serviced by R.F. MacDonald, but also the County's chillers and cooling towers, for a more streamlined and consistent maintenance service program across entire systems.

Section 4(C) of the Agreement provides that the Agreement may be terminated, without cause, by the County upon giving 30 days' advance written notice of an intention to terminate.

Approval of the recommended actions will authorize the without case termination of the Agreement, and direct the Director of Internal Services/Chief Information Officer to provide R.F. MacDonald with 30 day's prior written notice with termination effective May 31, 2024.

REFERENCE MATERIAL:

BAI #45, April 9, 2024
BAI #40, August 9, 2022

CAO ANALYST:

Ahla Yang