



## Agenda Report

21-1079

Agenda Date: 9/7/2021

### REPORT TO COUNCIL

#### **SUBJECT**

Action on a Purchase Order with Syserco, Inc. for Heating, Ventilation, and Air Conditioning Environmental Control Systems

#### **COUNCIL PILLAR**

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### **BACKGROUND**

The Facility Maintenance Division (Division) oversees maintenance and repairs for approximately 900,000 square feet of buildings throughout the City. In order to continue to provide services in a timely and efficient manner, the Division periodically uses vendors to assist with the workload.

Syserco, Inc. (Syserco) has been the City's heating, ventilation, and air conditioning (HVAC) repair and maintenance vendor that oversees approximately one million dollars of Alerton controls used in HVAC systems located at numerous City buildings including City Hall, the Police Station, the Senior Center, the Community Recreation Center, several fire stations, and libraries. Alerton HVAC controls are the "brains" of the HVAC systems that provides a computer interface for City staff to monitor and regulate each building's HVAC system for maximum efficiency.

#### **DISCUSSION**

Pursuant to City Code Section 2.105.160(b)(3), "In order to obtain a necessary item that is available from one source," a sole source determination was approved by the City's Purchasing Division for Syserco to provide on-going HVAC maintenance and repair services for Alerton products. Syserco is the only Authorized Dealer in this area for Alerton Systems. Syserco employees are professionally trained by Alerton. Syserco also provides online tech support that helps City staff research and address issues that are less complex with minimal impacts to building tenants.

Proper operation of the City's HVAC systems is important to the health and comfort of the City's staff, tenants, and visitors. The subject Purchase Order includes on-site maintenance and as-needed repair work. The repair work includes items such as parts and thermostat replacements, and other work required to keep the HVAC systems operating in an efficient manner.

#### **ENVIRONMENTAL REVIEW**

The action being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301 "Existing Facilities" as the activity consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities mechanical equipment or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agencies determination.

**FISCAL IMPACT**

The amount to be paid to Syserco, Inc. for the initial one-year term is not-to-exceed \$37,137. This includes \$27,223 for annual preventative maintenance and training, and \$9,914 for as-needed repair services as estimated based on prior year's expenditures. The four option years include \$123,209 for annual preventative maintenance and training, and \$39,656 for as-needed repair services. Appropriations for the current year have been incorporated in each applicable department's 2021/22 annual budget. Future year appropriations will be included as part of the annual budget development process.

**COORDINATION**

This report has been coordinated with the Finance Department and the City Attorney's Office.

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov).

**RECOMMENDATION**

1. Authorize the City Manager to execute a Purchase Order with Syserco, Inc. for HVAC preventative maintenance and as-needed repairs of Alerton control systems, for an initial one-year term beginning on or about September 7, 2021 and ending on September 30, 2022 for a maximum compensation not-to-exceed \$37,137, subject to the appropriation of funds;
2. Authorize the City Manager to amend the Purchase Order to increase maximum compensation at the same unit pricing, in the event actual repairs exceed the forecasted amounts; and
3. Authorize the City Manager to exercise up to four one-year options to extend the term of the Purchase Order after the initial term, ending on September 30, 2026 assuming all options are exercised and subject to the appropriation of funds.

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager