

Central Services
Joan Araujo, Director

Engineering Services
James O'Tousa, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

September 12, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: **Receive and File Report Back on the Status of Award by the Public Works Agency Director of an Emergency Purchase Order to Mesa Energy Systems, Inc. in the amount of \$160,000 without Competitive Solicitation for Bids for Temporary Chiller Services and Emergency Chiller Pair at the Juvenile Justice Center (JJC); Determination of Need to Continue the Action; Purchase Order No. P682405; Supervisorial District No. 1. Recommendation No. 2 Requires a 4/5ths vote.**

Recommendations:

1. Receive and file report back within this letter on the status of award by the Public Works Agency (PWA) Director of an emergency contract to EMCOR/Mesa Energy without competitive solicitation for bids for Temporary Chiller Services and Emergency Chiller Pair at the Juvenile Justice Center 2 in the amount of \$160,000.
2. Determine that there is a need to continue the emergency action (4/5 vote required).

FISCAL/MANDATES IMPACT:

There are costs associated with Board item.



Summary of Revenues and Costs	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ 212,000	\$ 0
Indirect-Agency/Dept.	\$ 0	\$ 0
Indirect – CAP	\$ 0	\$ 0
Total Costs	<u>\$ 212,000</u>	<u>\$ 0</u>
Net Gain/(Loss):	\$ (212,000)	\$ 0

FY 2023-24 Budget Projection				
GSA – Capital Renewal Department – Budget Unit 4501				
	Adopted Budget	Adjusted Budget	Projected Budget	Est. Savings/ (Deficit)
Appropriations	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000	\$ 0
Revenue	\$ 0	\$ 0	\$ 0	\$ 0
Operating Gain/(Loss)*	(\$ 10,500,000)	(\$ 10,500,000)	(\$ 10,500,000)	\$ 0

*Projected operating loss will be covered by unrestricted net position. Other financing uses are included. Sufficient revenue and appropriations are included in the FY 2023-24 Adopted Budget for this item.

DISCUSSION:

Beginning on or about July 8, 2023, the two chillers at JJC had been under constant troubleshooting and repairs to regain 100% operational status. One chiller is about 11 years old and the other is about 20 years old and now beyond its useful service life. On July 12th and 14th, both chillers experienced failures. As of July 20th, the older chiller became non-operational and the remaining chiller became impaired and was only able to operate at partial capacity. Controls were adjusted and maintenance continued to provide cooling to best capability. Without a backup chiller, the remaining unit operating at partial capacity left the ability to provide appropriate climate control to offices and the detention facility at risk.

The timeliest resolution to the permanently installed plant is to replace the compressor on the younger chiller. This part has a lead time of approximately five weeks. In order to ensure climate control while waiting on repairs, a temporary chiller was leased and installed.



On July 25, 2023, your Board received a report from the Director of Public Works on the reasons justifying his award of an emergency contract to Mesa Energy Systems, Inc. for replacement of the compressor on the younger chiller and lease of a temporary chiller pending that repair. Since that date, various issues have arisen which are being addressed. Two temporary chillers were delivered to the site and both experienced motor failure. One chiller failed on startup and the other failed after 11 days of operation. When the vendor retained a third temporary chiller, it included a generator to separate the equipment from the permanent power source for electrical system troubleshooting, which caused a cost increase of \$10,000.

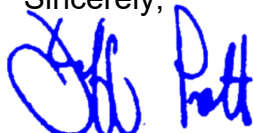
The compressor is estimated to be installed by September 29, 2023. The emergency contract will conclude upon installation of the part and satisfactory operational testing of the chiller. At that time, the temporary chiller will be disconnected, and the lease terminated. Terminating the emergency contract at this time and competitively bidding the remaining work would significantly increase the cost and delay the completion of the project and provide no benefit to the public. Therefore, it is in the County's and public's best interest to continue the emergency action.

The General Services Agency (GSA) does not have delegated emergency contracting authority. This authority resides only with the Public Works Director. Upon realization of the emergency on July 20, 2023, GSA contacted the Public Works Director for authority to execute and remedy the emergency to maintain the 24/7 operational status of this critical facility.

This item has been reviewed by the County Executive Office, the Auditor Controller's Office, and County Counsel.

If you have any questions regarding this item, please contact Craig Clutts, Chief Deputy Director, Facilities and Materials, at (805) 654-3806.

Sincerely,



Jeff Pratt, P.E.
Director

