



Agenda Report

TO: CITY COUNCIL **DATE:** August 13, 2001
FROM: CITY MANAGER
SUBJECT: APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$406,300 WITH CONTROL MANAGEMENT SYSTEMS TO PURCHASE AND INSTALL AN ANDOVER CONTROLS ENGERGY MANAGEMENT SYSTEM

RECOMMENDATION

It is recommended that the City Council:

1. Authorize the Purchasing Administrator to issue a purchase order to Control Management Systems in the amount not to exceed \$406,300 for the purchase and installation of an Andover Controls Energy Management System. The proposed purchase is exempt from competitive bidding, pursuant to City Charter section 1002(C) contracts for labor, material, supplies or services available from only one vendor and;
2. Grant this contract a partial exemption (vendor outreach only) from the Affirmative Action in Contracting Ordinance pursuant to P.M.C. 4.09.060(C), contracts for which the City's bests interests are served.

BACKGROUND

The City Council, on June 25, as part of the Summer 2001 Energy Conservation Program, appropriated funding for the purchase and installation of the City's Energy Management System (EMS) at the Community Health Center, Police Department, and Villa Park Center.

The City's EMS, manufactured by Andover Controls and supplied by Control Management Systems, allows the Heating and Air Conditioning units of City buildings to be controlled through the City's exchange network. Controls are installed on the existing HVAC equipment, which allows air temperature to be lowered, raised, and even completely shut off via a control room located at the city yards. It also enables staff to completely and/or partially shut down non- critical areas without affecting airflow in critical areas.

Adding these building to the City's master EMS, as the first step of a long-term energy management strategy, will help to ensure the City will reach its 10% reduction target both expeditiously and efficiently.

In 1994, bids were solicited to purchase and install an Energy Management System for the Central Library. Control Management Systems (CMS), the local distributor of Andover Control Systems was the successful bidder.

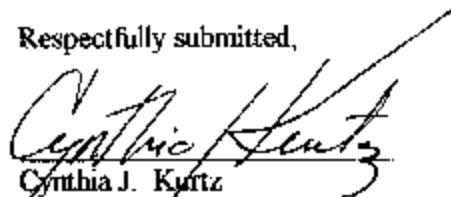
Due to its reliability and ease of operation, the City continued to utilize Andover Controls, giving the City a standardized uniform Energy Management System. Currently, the City has nine networked buildings and one remote site already using the Andover Controls EMS. Prior to 1994, the City had tried various control systems, resulting in unreliable performance, high maintenance contracts (up to \$19,000 annually) and costly service calls. The City's experience with CMS and the Andover Controls management system has proven the system to be both extremely flexible and cost effective. There are no fees for site visits, or any complicated programming language needed to operate the system. Andover Controls has developed software that recognizes "easy English", eliminating the need for HVAC techs to have extensive programming knowledge. The City has also had two HVAC technicians and the HVAC Supervisor trained and certified at the Andover facility, eliminating the need of a costly annual maintenance contract. Having certified in-house technicians also qualifies the City to purchase the Andover Controls EMS at a savings of 50 to 60%. CMS is the only Andover Controls distributor authorized to offer this discount to the City.

The cost of equipment for the three buildings is \$251,300 with labor to install the EMS at the Community Health Center and Police Department totaling \$155,000. Utilizing the expertise of CMS technicians at the Community Health Center and Police Building will ensure that the six month completion date will be met safely and efficiently without sacrificing quality control. This will also enable City technicians to complete the installation at Villa Park Center without incurring increased labor costs due to overtime or reducing regular service levels for other City facilities. City technicians will also be responsible for the oversight and supervision of the entire project.

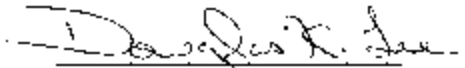
FISCAL IMPACT

Sufficient funds have been appropriated to the following Capital project accounts, Community Health Center, account 71119; Police Building, account 71128 and Villa Park Center, account 71129. The projected payback for these projects range from 2.3 years to 7.15 years with an average payback of 4 years.

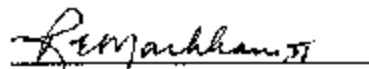
Respectfully submitted,


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