



Legislation Text

File #: 2020-186, Version: 1

Contract No. 2000284
Fire Alarm, Fire Sprinkler, Fire Extinguisher Maintenance Services
Sourcewell Member Participating

Agenda of: June 24, 2020
Item No.: **2020-186**
Amount: Three Year Contract \$1,392,027.00
Two Year Renewal Option 916,870.00
Total Contract \$2,308,897.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: June 24, 2020

RE: Contract No. 2000284
Fire Alarm, Fire Sprinkler, Fire Extinguisher Maintenance Services
Sourcewell Member Participating
Vendor: Johnson Controls Fire Protection

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, and Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 2000284, "Fire Alarm, Fire Sprinkler, and Fire Extinguisher Maintenance Services" with Johnson Controls Fire Protection at a cost not to exceed \$1,392,027.00 for a duration of three years, with one two-year renewal option for \$916,870.00 for a total contract amount of \$2,308,897.00;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA life safety systems installed at the WRRF, Water Treatment Plants, and CSO Facilities include fire alarm systems, sprinkler systems, and fire extinguisher systems. Fire alarm systems consist of a

control panel, and many devices throughout each building which are designed to detect fire and alert personnel. Fire sprinkler systems are designed to detect a fire and to suppress it in an automatic fashion. Fire extinguisher systems consist of hand-held devices used by personnel in the event of fire to extinguish that fire. All of these systems are in place to protect GLWA infrastructure, the public, and most importantly GLWA personnel. The National Fire Protection Association (NFPA) has established maintenance requirements for all these systems. Maintenance of these systems requires specially trained personnel in accordance with NFPA requirements. Therefore, to meet NFPA requirements for maintenance, GLWA plans to contract out maintenance of these life-safety systems.

GLWA utilizes Simplex Grinnell Fire Alarm Life Safety Systems throughout the majority of our facilities to optimize maintenance and develop consistency among GLWA facilities. These systems are serviced by Johnson Controls Fire Protection who acquired Simplex Grinnell in 2018. Service to these systems by other vendors typically requires the presence of Johnson Controls for panel/system access as each manufacturer has designated codes to their panels.

Services provided under this Fire Alarm, Fire Sprinkler and Fire Extinguisher Maintenance Contract in accordance with NFPA requirements include Fire Alarm Test and Inspection Service annually, inspection reporting, end-user training to GLWA team members, annual smoke testing, calibration, smoke detector cleaning, cable/ground fault repairs, equipment trouble shooting, device replacement, repair services, 24/7 on-call emergency services, fire pump churn tests, sprinkler system backflow inspection services, water conditioning treatments, and fire extinguisher inspection/certification/replacements.

JUSTIFICATION

The maintenance and repair of life safety systems is required by the NFPA. These systems protect GLWA personnel, facilities, and the public. The standardization of the maintenance services for all life-safety systems to one vendor provide GLWA one central point of accountability while minimizing the management resources necessary for such a complex system. Additionally, Johnson Controls is the original provider of most of these systems, is familiar with GLWA facilities, and has the necessary resources and expertise to provide all of these services to GLWA. This standardization of maintenance services will eliminate disparate maintenance strategies throughout GLWA and the potential overlap of system services.

GLWA is a member of Sourcewell Cooperative Purchasing based in Minnesota and is leveraging the Sourcewell Johnson Controls Fire Protection cooperative agreement to procure fire alarm, fire sprinkler, fire extinguisher maintenance services for various GLWA facilities.

Finally, in recognition of the financial impacts to GLWA and its member communities due to recent events, Johnson Controls has proactively approached GLWA and provided a 10% discount on employee labor rates for the first three years of this contract, reduced replacement part markup by 8% for Fire Alarm and Fire Sprinkler for the first three years of this contract, provided a 10% discount on the consumable parts purchase, and a 2% discount on obsolescent device replacement for the first three years of this contract. This represents an immediate savings to GLWA of approximately

\$50,000 and will continue to save GLWA over the course of the contract as repair services are utilized under the Contract allowances for repairs (parts and labor).

FINANCIAL PLAN IMPACT

Summary: The proposed contract will cover both Water and Wastewater facilities. The current FY 2021 budget and five-year financial plan was based on previous experience and work performed. The value of the contract exceeds the current financial plan in total. Potential positive variances of other contractual services or repairs and maintenance as well as the use of this service may vary by year. The financial plan will be adjusted accordingly, during the FY 2022 budget preparation to accommodate the proposed contract amount.

Funding Source: Operations and Maintenance Budget (O&M)

Cost Centers: Water Resource Recovery Facility (892221)

Water Treatment Plants (882131 - 882171)

Combined Sewer Overflow Facilities (892271 - 892279)

Expense Types: Contractual Buildings & Grounds Maintenance (617200)

Repairs & Maintenance - Facilities (622400)

Estimated Cost by Year and Related Estimating Variance:

| | <u>O&M</u> |
|--------------------------------|---------------------|
| FY 2021 Budget | \$ 464,010 |
| FY 2022 Financial Plan | \$ 464,010 |
| FY 2023 Financial Plan | \$ 464,010 |
| FY 2024 Financial Plan | \$ 458,485 |
| FY 2025 Financial Plan | <u>\$ 458,395</u> |
| Total Budget | \$1,917,760 |
| Maximum Proposed Contract | <u>\$2,308,910</u> |
| Variance (positive/(negative)) | <u>(\$ 391,150)</u> |

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on June 10,

2020. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.