



CITY COUNCIL MEETING STAFF REPORT

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| Meeting Date: June 6, 2022 | | Subject: Resolution No. 2978 A Resolution of the City of Wilsonville authorizing the sole source selection of Delta Connects Inc. to supply and service Delta Controls HVAC controller components for all City facilities. Staff Member: Martin Montalvo, Public Works Operations Manager Department: Public Works | |
| Action Required | | Advisory Board/Commission Recommendation | |
| <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda | | <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable Comments: N/A | |
| Staff Recommendation: Staff recommends Council adopt the Consent Agenda. | | | |
| Recommended Language for Motion: I move to adopt the Consent Agenda as read. | | | |
| Project / Issue Relates To: | | | |
| <input type="checkbox"/> Council Goals/Priorities: | <input type="checkbox"/> Adopted Master Plan(s): | <input checked="" type="checkbox"/> Not Applicable | |

ISSUE BEFORE COUNCIL:

Whether to authorize the sole source selection of Delta Connects Inc. to supply and install the HVAC controller components for use within all City facilities.

EXECUTIVE SUMMARY:

The City of Wilsonville is set to undertake a competitive formal procurement process for the construction of a new Public Works Complex (the "Project"). A component of the Project is to purchase and install HVAC controller component equipment that is compatible with the City's existing Building Automation Systems (BAS). The City's existing BAS allows staff to remotely monitor environmental conditions within its various facilities and make adjustments, automate functions and respond to possible maintenance issues. The system also facilitates an efficient energy conservation program for the various facilities as part of the BAS programming. The City currently utilizes Delta Controls controller components for its HVAC equipment within City facilities. Delta Connects Inc. is the company that sells, installs, and services the Delta Controls equipment. When different brands of controller components are utilized, compatibility issues occur that jeopardize functionality, decreases efficiency, and has resulted in significant technical issues.

One of the key reasons that HVAC equipment at the SMART Transit building had to be replaced was because it utilized different software that did not communicate well with current City systems. The City replaced the HVAC controllers in the SMART building to Delta Controls controllers in 2018 to resolve HVAC issues that plagued the SMART building since its construction.

To avoid such energy and technological inefficiencies, staff recommends sole sourcing the necessary HVAC controller components from Delta Connects and having Delta Connects install such technology as part of the Project and all future facility HVAC projects. In order to require that a general contractor hire Delta Connects for the Project all future facility HVAC projects, the City must authorize the sole source selection of Delta Connects as the seller and installer of the city's HVAC controllers.

A sole source procurement is allowed under Oregon public contracting laws if the City Council determines that at least one of four criteria outlined in ORS 279B.075(2) are met, based on written finds. In this case, two criteria are met:

(2)(a) That the efficient utilization of existing goods requires acquiring compatible goods or services.

Finding: As described above, the City currently uses the BAS energy management software that is compatible with Delta Controls controller components, and the City has purchased such devices from Delta Connects Inc. who also installed the devices. Other controller components will not work as efficiently, if at all, with the City's software or the other Delta Controls controller components. To ensure that the City's HVAC system, both technically and technologically, operates as efficiently as possible, the City finds that sole sourcing the purchase and installation of Delta Controls controller components from Delta Connects Inc. is necessary.

(2)(d) Other findings that support the conclusion that the goods or services are available from only one source.

Finding: The City had previously attempted to use other HVAC controller components in the SMART Transit building. The result was a complete, and costly, overhaul of the HVAC system due to the other controllers' incompatibility with the City's current technologies and systems. To avoid HVAC issues or future repairs and replacements, the City finds that sole sourcing the purchase and installation of Delta Controls controllers from Delta Connects Inc. is necessary.

If the City Council authorizes the sole source selection of Delta Connects Inc. to supply and install Delta Controls controller components, the City must publish a notice for seven days prior to any contracting for such sole-sourced goods and services, pursuant to OAR 137-047-0275.

EXPECTED RESULTS:

Selecting Delta Connects Inc. will allow for an efficient and compatible HVAC system in City facilities, including the new Public Works Complex.

TIMELINE:

Delta Connects Inc.'s work regarding the Project will be planned as part of the overall Project. Other future projects will similarly incorporate Delta Connects Inc.'s work.

CURRENT YEAR BUDGET IMPACTS:

There are no current budget impacts. The cost of HVAC equipment and installation will be budgeted as needed. In FY 2022/23, HVAC equipment and installation will be included in the cost of the Project.

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

A future financial impact may be avoided if the City properly plans a compatible and efficient HVAC system to be installed in City facilities through Delta Connects Inc.

ALTERNATIVES:

The City can request that the general contractor provide Delta Controls controller components or like products for the future HVAC system in the Public Works Complex and other City facilities. However, other products will not be as efficient as, or may not be compatible with, the City's current HVAC technologies.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 2978