

Agenda Item



AGENDA STAFF REPORT

ASR Control 25-000017

MEETING DATE: 03/11/25

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): 5

SUBMITTING AGENCY/DEPARTMENT: John Wayne Airport (Approved)

DEPARTMENT CONTACT PERSON(S): Charlene Reynolds (949) 252-5183
William Bogdan (949) 255-1336

SUBJECT: Approve Amendment Number Three with Siemens Industry, Inc.

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approved Agreement to Form	Discussion 3 Votes Board Majority

Budgeted: Yes **Current Year Cost:** \$188,890 **Annual Cost:** FY 2025-26
\$811,110

Staffing Impact: No **# of Positions:** **Sole Source:** No

Current Fiscal Year Revenue: N/A

Funding Source: Fund 280: 100% **County Audit in last 3 years:** No

Levine Act Review Completed: Yes

Prior Board Action: 5/7/2024 #15

RECOMMENDED ACTION(S):

1. Authorize the County Procurement Officer or Deputized designee to execute Amendment Number Three to renew Subordinate Contract MA-280-22011753 with Siemens Industry, Inc. for Facility Security, Fire and Building Automation Systems effective April 23, 2025, through April 22, 2026, in an amount not to exceed \$1,000,000, for a revised cumulative Contract total amount not to exceed \$2,400,000.
2. Pursuant to Contract Policy Manual Section 3.3-113, authorize the County Procurement Officer or Deputized designee to exercise a contingency contract increase, not to exceed a total of 10 percent of the Contract amount for the first year of the Contract, for the entire term of the Contract, including renewals, and within the scope of work set forth in the Contract. The use of this contingency contract increase is subject to approval requirements established by the County Procurement Officer.

SUMMARY:

Approval of the proposed amendment with Siemens Industry, Inc. will provide ongoing support and operation of the Building Automation, Video Management and Facility Access Control systems at John Wayne Airport.

BACKGROUND INFORMATION:

Siemens Industry, Inc. (Siemens) provides proactive and reactive support for John Wayne Airport's (JWA) Building Automation System (BAS), Video Management System (VMS) and Alert and Access Control System (AACS). The BAS is a network of microprocessor-based wired and wireless controllers and sensors that monitor heating, ventilation and air conditioners, power utilization, water heaters, and other connected smart devices throughout the terminals. The VMS manages and records video from more than 700 cameras and is utilized by Airport Operations and Airport Police Services to provide facility security services and conduct investigations of incidents within airport grounds. The AACS issues and manages access cards for JWA's 5,000 active badge population and controls each badge holder's access to doors and gates throughout the facility. AACS is utilized in conjunction with the VMS to alert Airport Police Services of any incidents such as forced entry, tailgating, holding doors open for extended periods of time, or wrong-way path of travel, and provides immediate visual and audible feedback to the area through the use of audible alarms, strobe lights, and prerecorded messages.

In 2022, JWA established Subordinate Contract MA-280-22011753 with Siemens for Facility Security, Fire & BAS between June 15, 2022, through June 14, 2023, under the Sourcewell Cooperative 030421-SIE with a five-year term between April 21, 2021, through April 22, 2025.

The table below lists the recent contract history with Siemens.

<u>Date</u>	<u>Action</u>	<u>Contract Term/ Amendment Amount</u>	<u>Cumulative Contract Total</u>	<u>Contract Term</u>
6/15/2022*	Subordinate Contract MA-280-22011753	\$200,000	\$200,000	6/15/22 – 6/14/23
3/20/2023*	Amendment Number One renewed Contract for one additional year and added option to renew for three additional one-year terms	\$200,000	\$400,000	6/15/23 – 6/14/24
5/7/2024 #15	Amendment Number Two renewed Contract MA-280-22011753, consolidate MA-280-19010973 and MA-280-19011513 into this Contract, and	\$1,000,000	\$1,400,000	6/15/24 – 4/22/25

	increase by \$1 Million			
Pending	Amendment Number Three proposed to renew Contract for one additional year.	\$1,000,000	\$2,400,000	4/23/25 – 4/22/26
	Total	\$2,400,000		

*Authorized by Board pursuant to Section 3.3-113 of 2021 Contract Policy Manual

On May 7, 2024, the Board approved Amendment Number Two with Siemens for ongoing maintenance and support between June 15, 2024, through April 22, 2025, with an increased contract amount of \$1,000,000 due to the need to add additional readers, repair sensors in the building automation system, apply critical software updates and security patches, and resolve incidents impacting the AACS system.

In January 2025, the Sourcewell Cooperative with Siemens was extended through April 22, 2026. JWA now requests Board approval of Amendment Number Three to renew the Contract for one additional year effective April 23, 2025, through April 22, 2026, in an amount not to exceed \$1,000,000. Renewal of the contract with Siemens will provide continuity to the established service and support plans, facilitate ongoing proactive support, including defined service level agreements, software license renewals, recurring on-site health checks, monthly patching, software version upgrades, additional dedicated, local support technicians from Siemens, testing and inspections, and training opportunities.

Airport staff measured the effectiveness of this contract by establishing a project plan with Siemens for the proactive maintenance of all VMS, AACS, and BAS equipment, and meeting with them on a recurring schedule to track their overall progress. For individual proposals and ad hoc projects, Siemens provides detailed work plans with timelines and deliverables that must be completed before a project is closed.

Siemens performance has been confirmed as satisfactory. JWA has verified there are no concerns that must be addressed with respect to the Contractor's ownership/name, litigation status or conflicts with County interests.

The Orange County Preference Policy is not applicable to this cooperative contract.

The proposed contract does not currently include subcontractors or pass through to other providers.

Compliance with CEQA: The proposed project was previously determined to be Categorically Exempt from CEQA pursuant to Section 15301 (Class_1) of the CEQA Guidelines, on May 19, 2020, when it was originally approved because it involves the minor alteration, operation, and maintenance of equipment and systems in existing facilities involving negligible or no expansion of existing use. The proposed project is still consistent with this determination.

FINANCIAL IMPACT:

Appropriations for this contract are included in Fund 280, Airport Operating Fund, FY 2024-25 Budget and will be included in the budgeting process for future years.

The contract contains language that permits reductions or termination of the contract immediately without penalty if approved funding or appropriations are not forthcoming and upon 30-days' notice without penalty.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

Attachment A – Amendment Three for Facility Security, Fire and Building Automation Systems
Attachment B – Contract Summary Form



**AMENDMENT NUMBER THREE
FOR
FACILITY SECURITY, FIRE & BUILDING AUTOMATION SYSTEMS**

This Amendment is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California, through its department John Wayne Airport ("County" or "JWA") and Siemens Industry, Inc. ("Contractor"), with County and Contractor sometimes individually referred to as "Party" or collectively referred to as "Parties."

RECITALS

WHEREAS, Sourcewell has issued contract 030421-SIE, for Facility Security, Fire & Building Automation Systems ("Master Contract"), effective April 21, 2021, through April 22, 2025; and,

WHEREAS, County and Contractor entered into Subordinate Contract MA-280-22011753, per the terms and conditions and pricing of the Master Contract, and this Contract incorporated herein by reference, effective June 15, 2022 through June 14, 2023, in the Contract Amount Not to Exceed of \$200,000.00 ("Contract"); and,

WHEREAS, pursuant to Amendment Number One, the Parties renewed the Contract for one (1) year, effective June 15, 2023, through June 15, 2024, with a new Total Contract Amount Not to Exceed of \$200,000.00; and,

WHEREAS, pursuant to Amendment Number Two, the Parties renewed the Contract for one (1) additional year, effective June 15, 2024, through April 22, 2025, with a new Total Contract Amount Not to Exceed of \$1,000,000.00; and,

WHEREAS, on January 15, 2025, Sourcewell issued an extension for the Master Contract, with a new contract expiration date of April 22, 2026; and

WHEREAS, the Parties now desire to renew the Contract for one (1) additional year effective April 23, 2025, through April 22, 2026, with a new Total Contract Amount Not to Exceed of \$1,000,000.00; and,

NOW, THEREFORE, the Parties mutually agree as follows:

AMENDMENT TO CONTRACT ARTICLES

1. Section 2 of the Contract's Additional Terms and Conditions shall be amended to read in its entirety as follows:
 2. **Term of Subordinate Contract:** Contract shall be renewed effective April 22, 2025 and shall continue for one (1) year from that date, unless otherwise terminated by the County.
2. Section 3 of the Contract's Additional Terms and Conditions shall be amended to read in its entirety as follows:
 3. **Renewal:** This Contract may be renewed upon expiration of the initial term, for one (1) additional year, upon mutual agreement of both parties. The County is not obligated to give a reason or notice if it elects not to renew. Renewals may require County Board of Supervisors approval and are contingent upon renewal of the Master Contract.



3. Section 21 of the Contract's Additional Terms and Conditions shall be amended to read in its entirety as follows:

21. Notices: Any and all notices, requests demands, and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned Deputy Purchasing Agent (DPA), except through the course of the Parties' Project Managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

Contractor: Siemens Industry, Inc.
Attn: Joseph Wurzelbacher
6141 Katella Ave.
Cypress, CA 90630
Phone: (714) 227-1662
Email: joe.wurzelbacher@siemens.com

County's Project Manager: JWA/IT
Attn: William Bogdan, Project Manager
3160 Airway Ave.
Costa Mesa, CA 92626
Phone: (949) 255-1336
Email: WBogdan@ocair.com

cc: JWA/Procurement
Attn: Jeannie Mojica, County DPA
3160 Airway Avenue
Costa Mesa, CA 92626
Phone: (949) 252-6061
Email: JMojica@ocair.com

4. Section 25 of the Contract's Additional Terms and Conditions shall be amended to read in its entirety as follows:

25. Subcontracting: No performance of this Contract or any portion thereof may be subcontracted or otherwise delegated by Contractor, in whole or in part, without first obtaining the prior express written consent of the County. Any attempt by the Contractor to subcontract or delegate any performance of this Contract without the prior express written consent of the County shall be invalid and shall constitute a material breach of this Contract, and any attempted assignment or delegation in derogation of this paragraph shall be void.

In the event that the Contractor is authorized by the County to subcontract, this Contract shall take precedence over the terms of the agreement between Contractor and subcontractor, and any agreement between Contractor and a subcontractor shall incorporate



by reference the terms of this Contract. Contractor shall remain responsible for the performance of this Contract and indemnification of County notwithstanding the County's consent to Contractor's request for approval of subcontractor. Under no circumstances shall the County be required to directly monitor the performance of any subcontractor. All work performed by a subcontractor must be monitored by Contractor and must meet the approval of the County of Orange pursuant to the terms of this Contract.

5. Section 30 shall be added to the Contract's Additional Terms and Conditions:

30. Conflict of Interest – Contractor's Personnel: Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of County. This obligation shall apply to Contractor, Contractor's *officers, directors*, employees, agents, and subcontractors associated with accomplishing work and services hereunder. Contractor's efforts shall include, but not be limited to establishing precautions to prevent its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers from acting in the best interests of County.

Contractor shall notify County, in writing, of any potential or actual conflicts of interest between Contractor and County that may arise prior to, or during the period of, Contract performance, including, but not limited to, whether any known County public officer's child is an officer or director of, or has an ownership interest of ten (10) percent or more in, Contractor. While Contractor will be required to provide this information without prompting from County any time there is a change regarding conflict of interest, Contractor must also provide an update to County upon request by County.

6. Section T of the Contract's General Terms and Conditions shall be amended to read in its entirety as follows:

T. Compliance with Laws: Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Contractor agrees that it shall defend, indemnify and hold County and County Indemnites harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.

Contractor shall remain in compliance and in good standing, maintaining current and active business entity and/or nonprofit registration status, with all applicable federal, state and local registration requirements at the time of execution of the contract through the duration of the term of the Contract, and shall provide annual confirmation of current and active status to County through the term of the Contract.

7. All other terms and conditions in this Contract shall remain unchanged and with full force and effect.

Signature Page



County of Orange, John Wayne Airport

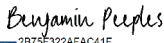
Attachment A

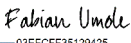
MA-280-22011753

Facility Security, Fire & Building Automation Systems

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date first above written.

SIEMENS INDUSTRY, INC.*

<small>Signed by:</small>  <small>2B75F322AFAC41F...</small>	Benjamin Peeples	General Manager	2/6/2025
Signature	Name	Title	Date

<small>DocuSigned by:</small>  <small>03EFCFF35129425...</small>	Fabian Umole	Director of finance	2/6/2025
Signature	Name	Title	Date

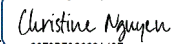
COUNTY OF ORANGE, A political subdivision of the State of California

COUNTY AUTHORIZED SIGNATURE:

		Deputy Purchasing Agent	
Signature	Name	Title	Date

APPROVED AS TO FORM:

County Counsel

By	 <small>DocuSigned by: Christine Nguyen 26F9D76C929A49E...</small>
	Deputy
Date	2/7/2025

* If the contracting party is a corporation, (2) two signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. The signature of one person alone is sufficient to bind a corporation, as long as he or she holds corporate offices in each of the two categories described above. For County purposes, proof of such dual office holding will be satisfied by having the individual sign the instrument twice, each time indicating his or her office that qualifies under the above described provision. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signator to bind the corporation.

Contract Summary Form

OC Expediter Requisition #: 1694800

Siemens Industry, Inc.

SUMMARY OF SIGNIFICANT CHANGES

N/A

SUBCONTRACTORS

This contract does not currently include subcontractors or pass through to other providers.

CONTRACT OPERATING EXPENSES

Contract Not-to-Exceed Amount: \$1,000,000

Indirect costs are unknown. Examples of JWA's indirect costs include:

1. Administrative
 - a. Reviewing vendor's invoices and validating work
 - b. Attending recurring contract review meetings
 - c. Reviewing and approving task orders
 - d. Reviewing vendor's documentation and change requests
 - e. Performing job walks with vendor for new requests
2. Technical
 - a. Coordinating projects and system updates
 - b. Providing equipment from on-site stock

JWA IT does not track these costs separately from its daily administrative activities.