



City Council Report

Date: June 26, 2017
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Term Contracts for HVAC Services and Equipment for the Parks, Recreation and Community Facilities Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contracts for HVAC Services and Equipment as recommended.

The Parks, Recreation and Community Facilities Department and Purchasing recommend awarding term contracts using three cooperative contracts: US Communities with Trane; 1GPA with Midstate Energy, and Pueblo Mechanical & Controls; National IPA with Comfort Systems USA, and HACI Service LLC; cumulatively not to exceed \$2,700,000.00 annually, based on estimated requirements.

Background / Discussion

Parks, Recreation and Community Facilities Department - Facilities Maintenance sought a more efficient method to procure HVAC equipment and services to more effectively manage their heavy workload. Facilities Maintenance researched and determined that purchasing equipment and services through competitively bid cooperative contracts would provide more flexibility to the City and speed up the purchasing process. This would allow Facilities Maintenance to complete more work while ensuring the City still receives the best value.

Facilities Maintenance comparatively analyzed pricing of numerous HVAC equipment and services from the US Communities, 1GPA, and National IPA cooperative contracts for upcoming planned City projects. They learned through this process that selecting and purchasing from one contract will not provide the most competitive pricing on all equipment and services but by using all three contracts the City can be assured that it is receiving the best value.

Alternatives

Council may choose not to authorize using the cooperative contracts.

Fiscal Impact

The annual contract amount is available through a combination of budgeted and planned infrastructure and Capital Improvement Program projects.

Coordinated With

Parks, Recreation and Community Facilities Department – Facilities Maintenance and Purchasing

PURCHASING INFORMATION

Action: Initial Award

Procurement Method: Cooperative Contract Use

Contracting Agency, Agency Contract Number, Contract Term and Renewal Options:

- US Communities, 15-JLP-023, 10/1/2015 thru 9/30/2018 with 2 Renewals Possible (Mesa Contract No. **2017231**)
- 1GPA, 13-78Y, 13-B0Y, 5/23/2013 to 5/23/2018 – No Renewal Options (Mesa Contract No. **2017232**)
- National IPA, R150504 and R150506, 10/1/2015 to 9/30/2018 with 2 Renewal Options Possible (Mesa Contract No. **2017233**)

AWARD RECOMMENDATION

Description
<p>HVAC Equipment and Services per Cooperative Contracts:</p> <p>Trane – Davidson, NC per Contract No. 2017231 - US Communities, 15-JLP-023</p> <p>Midstate Energy – Phoenix, AZ Pueblo Mechanical & Controls – Tucson, AZ per Contract No. 2017232 - 1GPA, 13-78Y and 13-B0Y</p> <p>Comfort Systems USA – Chandler, AZ HACI Service LLC – Phoenix, AZ per Contract No. 2017233 - National IPA, R150504 and R150506</p> <p>Annual Contract Amount: <u>\$2,700,000.00</u> (cumulatively not to exceed)</p>