



City Council Report

Date: August 26, 2019
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for Chiller Maintenance and Repair Services for the Parks, Recreation and Community Facilities Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Parks, Recreation and Community Facilities Department (PRCF) and Purchasing recommend authorizing the renewal with the contract to the highest scored proposal, W.D. Manor Mechanical Contractors, Inc., at \$150,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

The Facilities Maintenance Division manages the inspection, preventative maintenance, and repair of water chillers and associated equipment located at City owned and operated facilities.

This contract provides preventative maintenance including scheduled inspections and replacement of parts on a pre-planned schedule prior to the failure or wear out of the part or material. The contractor performs quarterly preventative maintenance on cooling plant, closed loops, cooling towers, and fluid coolers as scheduled by the City. The contractor is responsible for maintaining the chiller (main body and all components attached to the body) and ancillary components (equipment such as but not limited to refrigerant monitors, evacuation systems) in a manner that causes the machine to be fully functional in accordance to manufacturer and industry standards.

W.D. Manor Mechanical Contractors, Inc. agreed to renew the contract with increases of 2.996% to Maintenance and approximately 5% to their labor rates which are both below the Consumer Price Index three-year cumulative increase of approximately 7%. The City has been satisfied with the vendor's performance. The vendor has provided excellent service with prompt response to mechanical issues and their pricing for repairs has been competitive in the current marketplace. With industry cost escalations it would not be in the City's best interest to re-bid the contract. Even with the requested pricing increases the Department is not requesting an increase to the spend limit of \$150,000. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)

Procurement Type: Request for Proposals

Contract Number: 2016210

Original Council Award Date: 8/29/2016

Initial Contract Term: Three years

Possible Renewals: One-year renewal subject to Administrative review and approval

Funding Source: Parks, Recreation and Community Facilities Department – Facilities Maintenance operating budget