



# City Council Report

**Date:** August 24, 2020  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Dollar Limit Increase to the Term Contracts for HVAC Services and Equipment for the Parks, Recreation and Community Facilities Department as requested by the Office of Economic Development **(Citywide)**

## Recommendation

Council is requested to approve the contract amendment as recommended.

The Office of Economic Development, Parks, Recreation and Community Facilities Department and Purchasing recommend increasing the dollar limit using the cooperative contracts: US Communities with Trane; Omnia Partners (formerly National IPA) with Comfort Systems USA, and HACI Service LLC; 1GPA with Midstate Energy, and Pueblo Mechanical & Controls; by \$1,316,000, from \$2,700,000 to \$4,016,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

## Background / Discussion

This contract provides HVAC equipment and services through competitively bid cooperative contracts.

The dollar limit increase is needed for several upcoming chiller installation projects including a large replacement that is critical to the AZ Labs operations. Trane has provided a quote for the total project cost at \$1,316,000, inclusive of all labor charges for the chiller installations and replacements.

## Purchase Information

Action: Amendment

Procurement Type: Cooperative Contract Use

Contract Numbers: 2017231, 2017233, 2018243

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

- US Communities, 15-JLP-023, Renewal 10/1/2018 thru 9/30/2020 with no Renewal Options available (Mesa Contract No. **2017231**)
- 1GPA, 18-16PV-03, 18-16PV-05, Initial Award 5/18/2018 to 5/18/2019 – 4 Renewal Options Possible (Mesa Contract No. **2018243**)
- National IPA, R150504 and R150506, Renewal 10/1/2018 to 9/30/2019 with 1 Renewal Option Possible (Mesa Contract No. **2017233**)

Funding Source: Dollar Limit increase funded by Parks, Recreation and Community Facilities Infrastructure budget (\$500,000), and Office of Economic Development (\$816,000)

Dollar Limit History

Council Renewal Award – 8/20/2018:	\$2,700,000.00
Dollar Limit Increase Request - 8/24/2020:	<u>\$1,316,000.00</u>
New Annual Contract Value:	<u>\$4,016,000.00</u>