



Legislation Text

File #: 17-1586, **Version:** 1

Resolution to Approve an Amendment to the Purchase Order with Boone & Darr Inc., for On-Call HVAC Services (Not to Exceed \$45,000.00)

We recommend your approval of the attached resolution authorizing an amendment in an amount not to exceed \$45,000.00 to the existing \$25,000.00 purchase order, with Boone & Darr Inc., for a total amount not to exceed \$70,000.00 to provide on-call heating, ventilation and air conditioning (HVAC) services at various City facilities for FY18.

Each year, the Fleet & Facilities Unit solicits quotes for on-call HVAC repair services from at least three qualified firms. An on-call purchase order is then issued and the firm provides HVAC repair and maintenance services at various City facilities as directed by City staff. This process is also used for electrical services and plumbing services. To date these amounts have not exceeded the \$25,000.00 threshold that would require City Council approval.

In June 2017, three quotes were solicited for the FY18 on-call HVAC work and two firms responded. Boone & Darr Inc. was selected as the lowest priced and most responsive bidder for this work. An ITB or RFP was not issued as the value of this work has historically been less than \$25,000.00 annually. Performance of the work is subject to the terms and conditions of the City's standard service purchase order.

Two months into FY18, we experienced some significant and expensive HVAC repairs, primarily as a result of HVAC problems at the Justice Center and at the Materials Recovery Facility. These repairs depleted the original purchase order. Additional work is needed on the Justice Center rooftop units and that cost, while unknown at this time, may be significant. This will be in addition to our normal costs for on-call HVAC repair and maintenance work for the remainder of the fiscal year. The \$45,000.00 amendment of the purchase order is needed to cover these services.

Boone & Darr Inc. complies with the requirements of the City's Living Wage, Prevailing Wage and Non-Discrimination ordinances.

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Reviewed by: Craig Hupy, Public Services Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, There is a need to provide safe and reliable heating, ventilation, and air conditioning (HVAC) systems throughout City facilities;

Whereas, The cost to repair and maintain these systems varies from year to year and the work is handled on an as needed basis utilizing an on-call contractor;

Whereas, The annual cost of this work is normally less than \$25,000.00 and is handled by soliciting written quotations and using the City's purchase order as the contract;

Whereas, Two written quotations for HVAC repair and maintenance services were received in June, 2017, and Boone & Darr Inc. of Ann Arbor, MI, submitted the lowest quotation;

Whereas, Costly repairs at the Justice Center and Materials Recovery Facility have depleted the original \$25,000.00 purchase order;

Whereas, An additional amount not to exceed \$45,000.00 is needed for HVAC repair and maintenance services for the remainder of FY 18 to cover both additional costly repairs at the Justice Center, and normal on-call HVAC repair and maintenance work at various City facilities;

Whereas, Boone & Darr Inc. complies with the City's Living Wage, Prevailing Wage and Non-Discrimination ordinances; and

Whereas, Funding for the work is available in the appropriate Operations and Maintenance Budgets;

RESOLVED, That City Council approve an amendment to the purchase order to Boone & Darr Inc., in an amount not to exceed \$45,000.00, for a total purchase order amount not to exceed \$70,000.00, for on-call repair and maintenance HVAC services for FY18; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.