



## Legislation Text

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**File #:** 14-0207, **Version:** 1

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Resolution to Approve a Contract with CSM Mechanical LLC, for the Installation of a Secondary Chiller Unit in the Guy C. Larcom City Hall Building (\$160,923.00)

We recommend your approval of the attached resolution authorizing a contract in the amount of \$160,923.00, with CSM Mechanical LLC, for the installation of a secondary chiller unit at City Hall. The project involves the supply and installation of a new rooftop chiller unit at City Hall to supply cooling air to the building's HVAC system. The building currently has one large chiller unit which is old, requires extensive maintenance and is difficult to repair as parts are becoming harder to obtain. If the unit goes down, the entire building has no cooled air. In addition, the large chiller unit is not responsive to the rapid change in temperatures that happen in the spring and fall.

The new chiller unit will have about two thirds the capacity of the old unit. This unit will run as the primary unit in the spring and fall when the cooling needs are less demanding, thus reducing the run time (including the frequent stops/starts) on the old chiller unit which should help to extend its life. If the older unit breaks down during the peak summer season, the new unit will at least be able to provide some cooling air. The long term plan is to replace the old chiller unit with a second smaller capacity unit running in conjunction with the new chiller unit proposed in this resolution.

The project was originally bid under ITB-4313 but bids came in higher than the available budget so all bids were rejected. The scope of work was reduced and the project rebid under ITB-4318. Bids were received from five contractors on February 4, 2014. Staff evaluated the bids and determined that the prices were competitive and recommends that CSM Mechanical LLC, Fenton MI, as the lowest responsible bidder, be awarded the contract. The bid tabulation is attached.

In addition to the base bid, we have included an alternate to upgrade the building control management software in the Larcom City Hall building. The current version of our Automated Logic software is old and no longer supported by the manufacturer. The cost of the alternate for the software upgrade is \$5,500.00.

Funding for the project has been approved in the FY2014 General Fund Capital Budget and the FY2014 Fleet & Facility Unit operating budget. The resolution includes a recommended project contingency of \$16,000.00 (approximately 10%) to cover potential contract change orders to be approved by the City Administrator if necessary.

CSM Mechanical LLC, received Human Rights and Living Wage approval on February 7, 2014.

Prepared by: Matthew J. Kulhanek, Fleet & Facility Manager

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, There is a need to provide a reliable source of chilled air for the HVAC system of the Guy C. Larcom City Hall building;

Whereas, The installation of a secondary chiller unit will provide this reliable source and extend the

life of the existing chiller unit;

Whereas, Five bids for the supply and installation of the secondary chiller unit were opened February 4, 2014, and CSM Mechanical LLC of Fenton, MI, submitted the lowest responsible bid under ITB No. 4318;

Whereas, CSM Mechanical LLC, received Human Rights and Living Wage approval on February 7, 2014; and

Whereas, Funding for the project was included in the approved FY2014 General Fund Capital Budget and the FY2014 Fleet and Facility Unit operating budget;

RESOLVED, That City Council approve a contract, per ITB No. 4318, with CSM Mechanical LLC, in the amount of \$160,923.00, which amount includes \$5,500.00 for a software upgrade, and authorize a construction contingency of \$16,000.00 to cover potential contract change orders;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said contract after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution including the approval and execution of change orders within the approved contingency amount.