



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting January 21, 2020

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**DATE:** January 21, 2020

**TO:** Peter Zaroni, City Manager

**FROM:** Jim Davis, Director of Asset Management  
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### **HVAC Preventative Maintenance and Repairs for Asset Management**

#### **CAPTION:**

Motion authorizing a three-year service agreement with Coastline Refrigeration and Service, LLC of Corpus Christi, TX for a total amount not to exceed \$ 2,013,940.00 for Heating, Ventilation and Air Conditioning (HVAC) preventative maintenance and repairs to 28 City facilities, effective upon issuance of notice to proceed, with funding in the amount of \$447,542.22 available through the FY 2020 Facility and Property Management Fund.

#### **SUMMARY:**

This motion authorizes a service agreement with Coastline Refrigeration Service, LLC for HVAC preventative maintenance and repairs. These services are necessary to maintain the various HVAC systems in 28 City facilities on an as needed basis.

#### **BACKGROUND AND FINDINGS:**

HVAC systems need routine preventative maintenance and repairs to keep operating efficiently. Additionally, routine preventative maintenance increases the life of the system. As per state law, technicians and contractors must be licensed to work on the HVAC system, and Asset Management does not have sufficient resources or the level of expertise to maintain and perform the necessary preventative maintenance and repairs to all the HVAC systems in the 28 facilities throughout the City.

The Contracts and Procurement Department conducted a competitive Request for Bid process to obtain bids for a new contract. The City received one responsive, responsible bid and one nonresponsive bid for HVAC preventative maintenance and repairs. Staff recommends award to the lowest responsive, responsible bidder, Coastline Refrigeration and Service, LLC.

**ALTERNATIVES:**

An alternative to not securing a service agreement for HVAC preventative maintenance and repairs would be to perform the work in-house. However, the department would need to increase their staff by hiring additional licensed HVAC technicians to process and manage the workload efficiently.

**FISCAL IMPACT:**

The fiscal impact for Asset Management in FY 2020 is \$447,542.22. The remaining funds will be budgeted through the annual budget process.

**FUNDING DETAIL:**

Fund:	5115	Facility and Property Management
Organization/Activity:	40300	Facility Management and Maintenance
Mission Element:	191	Operate City Buildings and Facilities
Project # (CIP Only):	N/A	
Account:	530215	Maintenance & Repairs-Contracted

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing a three-year service agreement with Coastline Refrigeration Service, LLC as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Service Agreement  
Bid Tabulation