



## STAFF REPORT

**DATE:** April 28, 2020

**TO:** Kent Cagle, City Manager

**FROM:** Jonathan Locke, Executive Director of Finance

**SUBJECT:** HVAC Maintenance and Repair

### **BACKGROUND AND FINDINGS:**

Building Services uses heating ventilation and air conditioning (HVAC) vendors to assist in the maintenance and repair of the City's HVAC units. The City has an inventory of approximately 400 HVAC units that vary in complexity, size and type. Building Services uses The Brandt Companies, LLC for the maintenance and repair of large complex chiller and boiler units.

The Aviation and Police Departments use The Brandt Companies, LLC to service all units within their buildings independently of the work orders that Building Services manages. In 2019, the Police Department entered into a two-year maintenance and inspection agreement with The Brandt Companies, LLC in the amount of \$51,169.68 (City Council Memorandum 19-105R).

The Brandt Companies, LLC provides repair and maintenance services through the Texas Buyboard purchasing cooperative, contract #558-18, that expires February 28, 2021. Purchases made through a cooperative contract are exempt from the competitive bidding process as stated in Texas Local Government Code (TLGC) section 271.102, subchapter F; local governments that purchase goods or services under this subchapter satisfy any state law requiring the local government to seek competitive bids for the purchase of goods or services. Building Services will continue to compare pricing with all vendors to ensure that the City is receiving the best pricing.

City staff anticipates that HVAC maintenance and repair expenses with The Brandt Companies, LLC will be \$274,279 during fiscal year 2020.

### **THE ALTERNATIVES CONSIDERED:**

1. Do not approve the maintenance and repair of HVAC equipment by The Brandt Companies, LLC.
2. Approve the maintenance and repair of HVAC equipment by The Brand Companies, LLC in an amount not to exceed \$274,279 in Fiscal Year 2020.

### **Which alternative is recommended? Why?**

Alternative 2 is recommended, which will assist Building Services in the maintenance and repair of the City's HVAC equipment.

**CONFORMITY TO CITY POLICY:**

Yes, conforms to City Purchasing Policy and TLGC 271.102.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

The estimated annual maintenance and repair expenses for FY 20 and FY 21 are shown below:

Maintenance and repair facilitated by Building Services - \$171,779

Aviation - \$42,500

Police Department - \$60,000 (includes previously approved maintenance contract)

**Is this a one-time or recurring expenditure?**

Recurring expenditure

**Is this expenditure budgeted?**

Yes, departments budget funds in the Heat & Air Repair accounts: 43-20.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Yes

**RECOMMENDATION:**

City Council authorize the maintenance and repair of HVAC equipment by The Brandt Companies, LLC in an amount not to exceed \$274,279 in Fiscal Year 2020, and that the City Manager or designee be authorized to execute change orders as permitted by state and local law.

**DEPARTMENTAL CLEARANCES:**

Aviation

Community Development

Police Department

Finance

Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Renewal Letter

Contracts

Certificate of Interested Parties

