



## STAFF REPORT

**DATE:** August 3, 2021

**TO:** Kent Cagle, City Manager

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

**SUBJECT:** HVAC Maintenance and Repair

### **BACKGROUND AND FINDINGS:**

The City has an inventory of approximately 400 heating ventilation and air conditioning (HVAC) units that vary in complexity, size and type. Building Services uses HVAC vendors to assist in the maintenance and repair of the City's HVAC units with a budget of \$236,389. Building Services uses The Brandt Companies, LLC for the maintenance and repair of large complex chiller and boiler units. The Police Department uses The Brandt Companies, LLC to service all units within their buildings independently of 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; \$25,584.84 annually (City Council Memorandum 19-105R).

The Brandt Companies, LLC provides repair and maintenance services through the Texas Buyboard purchasing cooperative, contract 631-20, that expires November 30, 2023. Currently, the City has spent \$43,431 with The Brandt Companies for HVAC maintenance and repair, \$12,792.42 of the amount is from the Police Department's maintenance and inspection agreement. With the warmer months approaching, the Building Services Division estimates about \$37,000 in additional HVAC maintenance and service repairs to include the remaining service contract payments for the Police Department prior to yearend. Not including the Police Department's maintenance and inspection agreement, the three-year average cost of HVAC maintenance and repair services provided by The Brandt Companies in August and September was \$25,000.

The estimated total HVAC maintenance and repair expenses with The Brandt Companies, LLC in Fiscal Year 2021 is \$80,500.

### **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 Brandt Companies, LLC in an amount not to exceed \$80,500 in Fiscal Year 2021.

**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, purchases made through a cooperative contract are exempt from the competitive bidding process as stated in Texas Local Government Code section 271.102, subchapter F; a local government that purchases 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.

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

The estimated annual expenses for The Brandt Companies for Fiscal Year 2021 are \$80,500. HVAC repair and maintenance expenses are expected to decline as older units using the R-22 refrigerant are replaced.

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

Recurring expenditure

**Is this expenditure budgeted?**

Yes, departments budget funds in the Heat & Air Repair accounts: that end in XXX-XXXX-XXX.42-32.

**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 \$80,500 in Fiscal Year 2021.

**DEPARTMENTAL CLEARANCES:**

Aviation  
Community Development  
Police Department  
Finance  
Legal

**ATTACHED SUPPORTING DOCUMENTS:**

Contract

Certificate of Interest Parties