

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ROB SPRINKLE, DEPUTY DIRECTOR TRAFFIC ENGINEERING
TRANSPORTATION AND PUBLIC WORKS
SUBJECT: APPROVAL OF ADDITIONAL FUNDS TO CONTINGENCY FOR
GENERAL SERVICES AGREEMENT F002071 WITH MATRIX HG,
INC. FOR HVAC MAINTENANCE AND REPAIR SERVICES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Transportation and Public Works and Finance Departments, that the Council, by resolution: 1) approve the addition of contingency funding for General Services Agreement Number F002071 with Matrix HG, Inc., Novato, California for HVAC Maintenance and Repair Services for an increase in the amount of \$100,000, for a total contingency amount not to exceed \$740,000; and 2) delegate authority to the City Manager or designee to negotiate and execute any necessary amendments to GSA F002071 and/or related documents to utilize the additional contingency, subject to approval as to form by the City Attorney.

EXECUTIVE SUMMARY

HVAC maintenance and repair services are required by the Transportation and Public Works Department for HVAC equipment at various City Facilities. The contingency is used for the repair of HVAC equipment.

BACKGROUND

Staff has modified the base not-to-exceed amount in General Services Agreement F002071 twice via amendment. Staff has also secured Council authorization for approval of contingency amounts to be used to address emergent needs for HVAC Maintenance and Repair services. This item requests an increase in the contingency amounts available to staff for this work.

On February 11, 2020, City Council approved General Services Agreement F002071 with a base not-to-exceed amount of \$112,842.84 and a \$25,000 contingency for minor repairs under \$5,000 per occurrence. Any repairs that exceed the \$5,000 threshold will be competitively bid according to City Code 3-44 and DIR requirements.

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On April 9, 2020, City Manager approved additional contingency funding in the amount of \$75,000.

On November 17, 2020, City Council approved additional contingency funding in the amount of \$150,000.

On October 6, 2021, City Manager approved additional contingency funding in the amount of \$95,000.

On May 24, 2022, City Council approved additional contingency funding in the amount of \$200,000.

On March 15, 2023, City Manager approved additional contingency funding in the amount of \$95,000.

In addition to the \$640,000 in additional contingency funding described above approved at both the Staff level and by Council, staff increased the base not-to-exceed amount under the contract twice. The first amendment approved by staff increased the base not-to-exceed amount under the contract by \$56,975.57 for a total base not-to-exceed amount of \$169,818.41. The second amendment approved by Council on February 14, 2023 increased the base not-to-exceed amount by \$65,806.22 for a total base not-to-exceed amount of \$235,624.63.

The contractor provides all qualified labor, equipment, and transportation necessary to perform bi-annual maintenance and repair of heating, ventilating and air conditioning (HVAC) equipment at City Hall, City Hall Annex, Finley Community Center, Municipal Services Center North and South, and most other City facilities with exception to the Water Department facilities.

PRIOR CITY COUNCIL REVIEW

Not Applicable.

ANALYSIS

The Transportation and Public Works Department submitted a request to add \$100,000 to the current \$640,000 contingency originally approved by Council and City Manager. Due to failing HVAC infrastructure throughout the City, the additional funding will allow for the contractor to continue to address failing units with minor repairs. The contingency identified is not a guarantee and is not identified under the original General Service Agreement, therefore, does not require an Amendment to the Agreement.

With approval of the additional contingency funds, the cumulative amount of contingency funding on General Services Agreement Number F002071 will be

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\$740,000. Under City Code 3-08.110 Award Authority, the requested increase in contingency of \$100,000 requires approval by the City Council.

The total compensation to Matrix HG, Inc. under this agreement, if the increase in contingency funding of \$100,000 requested by staff is approved, will be \$975,624.63. The total compensation of \$975,624.63 includes the base compensation amount of \$235,624.63 and the recommended total contingency of \$740,000.

FISCAL IMPACT

Funds for this expense have been allocated in the Fiscal Year 2023-24 adopted budget within the various departments that utilize the service as a regular operating expenditure and will be included in subsequent years' budget requests when presented to Council.

ENVIRONMENTAL IMPACT

The Council finds that the proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

PRESENTER

Doug Williams, Facilities Maintenance and Operations Coordinator
Brandalyn Tramel, Purchasing Agent