

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER

DOUG WILLIAMS, FACILITIES MAINTENANCE COORDINATOR,
TRANSPORTATION AND PUBLIC WORKS DEPARTMENT

SUBJECT: SECOND AMENDMENT TO AGREEMENT WITH ALAN TROXEL
FOR MAINTENANCE AND REPAIR OF HVAC

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Water, Transportation and Public Works and Finance Departments that the Council, by resolution, (1) approve the Second Amendment to General Services Agreement number F001312 with Alan Troxel, dba Troxel HVAC, Petaluma, California, to increase compensation in the amount of \$200,000, for a total amount not to exceed of \$389,000 which includes \$29,800 in unpaid invoices for miscellaneous repair services performed in excess of the approved not to exceed amount for the period of February 2017 and May 2017 through August 2017; and (2) amending the fiscal year (FY) 2017-18 adopted General Fund Budget in the Transportation and Public Works Department appropriating an additional \$200,000 from the General Fund unassigned fund balance.

EXECUTIVE SUMMARY

This contract provides maintenance and repair services of HVAC equipment for various City locations. The additional funds needed for the amendment to this Agreement are not included in the FY 2017-18 adopted General Fund budget requiring a budget amendment to appropriate the funds for the Agreement.

BACKGROUND

On December 13, 2016, the City Council approved Contract No. F001312 for Maintenance and Repair of HVAC Equipment for a one-year term with four (4) additional one-year extension options to Alan Troxel, dba Troxel HVAC, Petaluma, California, in the amount of \$140,000. The First Amendment added funds in the amount of \$49,000 for repairs.

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The contractor provides all qualified labor, equipment, and transportation necessary to perform 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, UFO, and most other City facilities.

PRIOR CITY COUNCIL REVIEW

On December 13, 2016, City Council approved the General Services Agreement (GSA) #F001312 with Alan Troxel, dba Troxel HVAC, Petaluma, California.

ANALYSIS

The original contract award was for \$140,000, which included \$109,200 for maintenance and \$30,800 for repairs for the first year of the Agreement with hourly rates. The First Amendment added \$49,000 for repairs authorized as needed by Facilities. The pending Second Amendment will add \$200,000 in compensation for ongoing repairs through December 12, 2017.

The original estimate for repairs fell short this year due to a large number of unanticipated but necessary repairs and/or emergency service calls. Examples of some of the repairs are condenser failures, refrigerant leaks, coil failures, relays and switch burn out, fan motor burn out, thermostat failures, sensor failure, blown fuses, flow switch and power board failures. Most of the equipment at Laguna Treatment Plant (LTP) is beyond service life and will be replaced under CIP project funding approved for fiscal year 2017-18. Many current HVAC systems in City buildings are old and require a lot of maintenance and repairs, and there is no way to anticipate the number of service calls needed.

The City and Alan Troxel, dba Troxel HVAC, entered into a one-year agreement with four (4) one-year extension options on December 13, 2016, awarded by the City Council. The current Agreement expires December 12, 2017 and is not being extended with this second amendment. See contract activity chart below:

<u>Award/Amendment</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Authorization</u>
Contract Award	December 13, 2016	Award (1-year term)	\$140,000	City Council
First Amendment	April 27, 2017	Add Funds	\$49,000	Purchasing Agent
Second Amendment	Pending	Add Funds	\$200,000	City Council
	Total Cumulative Value Pending Amendment No. 2		<u>\$389,000</u>	

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The current Agreement provides for a not to exceed amount of \$189,000. This additional amount brings the not to exceed amount to \$389,000. This additional amount includes \$29,800 in unpaid invoices for miscellaneous repair services performed in February 2017 and during the period of May 2017 through August 2017 above the not to exceed amount of \$189,000. The balance of the funding being requested will support miscellaneous repairs to HVAC systems through the remaining term of the Agreement.

With approval of the Second Amendment increasing compensation under the Agreement, the cumulative value of the GSA #F001312 will be \$389,000. Under the City's Contract/Purchase Order Modification Policy III-9, this Second Amendment requires approval by the City Council.

This contract was awarded for a one-year term with four (4) one-year options to extend. Staff has determined that the contract will not be extended at the end of this year as the scope of work will be re-written with extensive changes that will be subject to a re-bid.

Funds for this amendment are not included in the FY 2017-18 adopted General Fund budget. In order to continue use of this contract for the necessary services and repairs, a budget amendment appropriating additional funds in the amount of \$200,000 is needed.

FISCAL IMPACT

Funds for this expense have not been appropriated in the Fiscal Year 2017-18 budget and need to be appropriated. The source of funding is the General Fund unassigned fund balance. Approval of this item will reduce the General Fund unassigned fund balance by \$200,000.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not Applicable.

NOTIFICATION

Not Applicable

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ATTACHMENTS

- Resolution/Exhibit A- Second Amendment

CONTACT

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