

CITY COUNCIL AGENDA TOPIC

Resolution authorizing the execution of a five-year agreement with MacDonald-Miller Facilities Solutions for heating, ventilation, and air conditioning (HVAC) system preventive maintenance service at City Hall, in a total contract amount including contingency funds, not to exceed \$1,197,760, plus all applicable taxes.

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Finance & Asset Management Department

EXECUTIVE SUMMARY**ACTION**

This resolution authorizes execution of a five-year contract agreement with MacDonald-Miller Facility Solutions for full coverage heating, ventilation, and air conditioning (HVAC) maintenance and repair services at Bellevue City Hall. Adopting this resolution will continue to provide preventive maintenance service for the HVAC system serving City Hall. A comprehensive preventive maintenance program has been shown to minimize downtime and is a more cost-effective way to operate and maintain this essential equipment.

RECOMMENDATION

Move to adopt Resolution No. 10308

BACKGROUND/ANALYSIS

The Finance & Asset Management Department's Facility Operations Division maintains Bellevue City Hall which totals 363,061 square feet of commercial space.

Preventive maintenance service is necessary to keep the HVAC system operating efficiently, protect the investment by prolonging the life of the equipment, maintain high indoor air quality, and minimize repair expenses and equipment downtime. HVAC system maintenance includes scheduled inspection, cleaning, repair, and replacement of parts and filters. A system running at or near peak efficiency reduces energy bills, aligns with the City's commitment to a healthy and sustainable environment, supports the health of building occupants, and continues to support the City's energy reduction targets as required by the WA State Clean Building Standard signed into law in 2019. Regular inspections can identify and address problems early to minimize unexpected repair costs.

Bellevue City Hall has over 500 HVAC-related pieces of equipment requiring maintenance throughout the year. Utilizing a comprehensive preventive maintenance program demonstrates the City's commitment to providing a safe, functional workplace for staff and the public to conduct business. Preventive maintenance programs have been shown to reduce primary system failures that could leave

portions of the building without heating or cooling for days or weeks while waiting for diagnosis, replacement component order and delivery, installation, and calibration.

To further address the need to maintain an acceptable working environment for public services in the event of an unexpected failure, the proposed contract is bolstered by contingency funds equivalent to \$20,000 per year to expedite repairs. This approach is consistent with prior HVAC requests and has proven effective in avoiding or reducing service interruptions.

Facility Operations conducted a competitive request for proposal process to identify the most qualified, cost-effective vendor to provide HVAC maintenance and repair services. After a full evaluation and consideration of all criteria, MacDonald-Miller Facility Solutions was selected as our qualified vendor. Their proposal was competitively priced, offered great value for services, and demonstrated a clear understanding of the scope.

POLICY & FISCAL IMPACTS

Policy Impact

Bellevue City Code 4.28 provides for the fair and equitable treatment of all persons involved in the purchasing process. Council approval is required to award the bid where the cost exceeds \$350,000.

Fiscal Impact

Approval of this action obligates the City to pay up to \$1,197,760, plus all applicable taxes for the full coverage HVAC maintenance and repair service contract at Bellevue City Hall. This amount includes \$100,000 in contingency funds for unforeseen HVAC needs over the five-year term of the contract.

This expenditure was anticipated in the 2023-2024 adopted Facility Services Fund budget for the first year of the contract. Future funding of the contract's remaining years will be requested in subsequent budget processes.

OPTIONS

1. Adopt the Resolution authorizing the execution of a five-year agreement with MacDonald-Miller Facilities Solutions for heating, ventilation, and air conditioning (HVAC) system preventive maintenance service at City Hall, in a total contract amount including contingency funds, not to exceed \$1,197,760, plus all applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS

Proposed Resolution No. 10308

AVAILABLE IN COUNCIL LIBRARY

Proposed contract with MacDonald-Miller Facility Solutions