

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of a three-year agreement with MacDonald Miller Facilities Solutions for heating, ventilating, and air conditioning (HVAC) system preventive maintenance service at City Hall, with a two-year renewal option, in a total contract amount including contingency funds, not to exceed \$957,752, plus applicable taxes.

Michael Thoreby, Facility Operations Manager, 452-6144

Dave Schaut, Facility Operations Specialist, 452-2986

Civic Services Department

EXECUTIVE SUMMARY

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. 9492.

If approved, effective date: 11/19/2018

BACKGROUND/ANALYSIS

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 near peak efficiency reduces energy bills and aligns with the City's commitment to a healthy and sustainable environment. 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 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 \$10,000 per year to expedite repairs. This approach is consistent with prior HVAC requests and has proven effective in avoiding or reducing service interruptions.

A public request for proposal process was conducted to identify the most qualified and cost-effective vendor to provide service for the HVAC system. Two companies submitted proposals and were evaluated based on:

- Expertise of key personnel

- Technical expertise (certifications to work on vital equipment)
- Price
- Ability to meet required service deadlines
- Experience working on similar buildings
- Completeness of submittal

MacDonald Miller Facilities Solutions more closely met the evaluation criteria and was selected as the most qualified vendor.

POLICY & FISCAL IMPACTS

Bellevue City Code

BCC 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 \$90,000.

BCC 4.28.190 defines the general standards for determining the lowest responsible bidder.

Policy Impact

City of Bellevue Comprehensive Plan, Capital Facilities Element - CF-2. Plan for the long-term renewal or replacement of aging capital facilities as needed to maintain service levels.

Fiscal Impact

Approval of this action obligates the City to pay up to \$558,492, to MacDonald Miller Facilities Solutions for preventive HVAC maintenance service at City Hall. This amount includes \$30,000 in contingency funds for unexpected repairs or equipment replacement not covered under scheduled maintenance but necessary to maintain operational efficiency of the HVAC system. If renewed, the total five-year obligation, including contingency funds would be up to \$957,752, plus applicable taxes.

This expenditure was anticipated in the 2019-2020 proposed Facility Services Fund budget for the first two-year term of the contract. Future funding for the remaining year of the initial term and for the renewal option, if exercised, will be requested in a subsequent budget process.

OPTIONS

1. Adopt the Resolution authorizing execution of a three-year agreement with MacDonald Miller Facilities Solutions for heating, ventilating, and air conditioning (HVAC) system preventive maintenance service at City Hall, with a two-year renewal option, in a total contract amount including contingency funds, not to exceed \$957,752, plus applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

Proposed Resolution No. 9492.

AVAILABLE IN COUNCIL LIBRARY

Proposed Contract