



Water & Wastewater Commission Review and Recommendation

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| Commission Meeting Date: | May 9, 2018 |
| Council Meeting Date: | May 24, 2018 |
| Department: | Purchasing |
| Client: | Augie Cancino, Rick Harland, and Anna Bryan-Borja |
| Agenda Item | |
| <p>Authorize negotiation and execution of three cooperative contracts with Carrier Commercial Service, Johnson Controls, Inc., and Trane U.S., to provide chiller systems maintenance, repair, inspection, and installation services, for a term of 53 months in an amount not to exceed \$8,191,937, divided among the contractors. This is a multi-department contract. Austin Water's requested authorization is \$5,936,045.</p> | |
| Amount and Source of Funding | |
| <p>Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.</p> | |
| Purchasing Language: | Multiple cooperative purchasing programs were reviewed for these goods and services. The Purchasing Office has determined these contractors best meet the needs of the departments to provide the goods and services required at the best value for the City. |
| Prior Council Action: | N/A |
| Boards and Commission Action: | May 9, 2018- To be reviewed by the Water and Wastewater Commission. |
| MBE/WBE: | This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established. |

These contracts are for the purchase of chiller systems maintenance, repair, inspection, and installation services for various City departments. City departments require consistent and reliable preventive maintenance and repair services for City facilities chiller systems. Chiller systems include air-cooled chillers, chilled water systems, pumps, and cooling towers that make up a part of the facility's heating, ventilation, and air conditioning (HVAC) systems. Services provided will include monthly or quarterly preventive maintenance, annual inspections, unscheduled repairs, and the installation of repair parts or the replacement of like systems.

The Texas Local Government Purchasing Cooperative, administered by the Texas Association of School Boards, Inc. (BuyBoard), National Joint Powers Alliance, and U.S. Communities Government Purchasing Alliance cooperatives establish competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

These new contracts will replace two contracts which expired in April 2018. These two previous contracts supported three departments, while the new contracts will support at least seven departments, as well as provide a source for departments to purchase replacement equipment. Two of the three recommended contractors are current providers for HVAC related services to the City.

If a contract is not secured, City facilities may not have a reliable and consistent source for preventive maintenance and repair services for chiller systems.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

BID TABULATION

N/A

HVAC, CHILLER REPAIR, MAINTENANCE SYSTEMS & INSPECTION SERVICES

VENDOR

TOTAL BID

N/A

\$0

Note: The Texas Local Government Purchasing Cooperative, administered by the Texas Association of School Boards, Inc. (BuyBoard) cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

PRICE ANALYSIS

- a) Competitive Status: Competitively bid cooperative purchase programs
- b) Solicitations: 0 notices were sent, including 0 MBE and 0 WBE firms.
- c) Quantities were determined based on past expenditures and estimated future needs by the end users.
- d) The original contract was through a cooperative with Entech Sales and Service.

- e) Price Analysis: New contract provides 3 vendors to support HVAC and Chiller systems. Parts are discounted 38% - 60% off list prices, however average labor rates increased 67% compared to the old contract which was established in 2014.

APPROVAL JUSTIFICATION

- a) Lowest bid on existing cooperative purchase program contracts.
- b) Austin Water concurs with Central Purchasing recommended award.