



## Recommendation for Action

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**File #:** 20-2449, **Agenda Item #:** 71.

7/29/2020

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### **Posting Language**

Authorize an amendment to an existing cooperative contract with Central Texas Commercial A/C & Heating Inc., for continued chiller services, for an increase in the amount of \$400,000 for a revised total contract amount not to exceed \$881,000.

(Note: This amendment 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 contract there were no subcontracting opportunities identified; therefore, no subcontracting goals were established).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Building Services Department.

### **Fiscal Note**

Funding is available in the Fiscal Year 2019-2020 Operating Budget of the Building Services Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

Contract Amendment.

### **Prior Council Action:**

February 7, 2019 - Council approved the original contract, item 22, on an 11-0 vote.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>> or to Jo Gutierrez at 512-974-2827 or [Jo.gutierrez@austintexas.gov](mailto:Jo.gutierrez@austintexas.gov) <<mailto:Jo.gutierrez@austintexas.gov>>.

### **Council Committee, Boards and Commission Action:**

### **Additional Backup Information:**

The proposed amendment will increase authorization on the existing contract to support the industrial chiller system and auxiliary equipment at the multi-story City property located at 1215 Red River Street (former Health-South Rehabilitation Facility). The equipment includes chilled and hot water systems that are needed to provide continuous operation of the heating and cooling systems at the building. The additional authorization is needed to continue with the monthly rental which includes heating, ventilation, and air

conditioning (HVAC) equipment repairs, inspections, and maintenance.

This contract is based on the Texas Multiple Award Schedule cooperative, which 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 volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

If this amendment is not approved, this building will not have HVAC services after July 30, 2020. Lack of climate control within the building will make water pipes susceptible to freezing and possible bursting as well as enable mold growth and environmental hazards that threaten the current security of personnel and future occupants.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Current Contract Authorization</u></b>	<b><u>Requested Additional Authorization</u></b>	<b><u>Revised Total Authorization</u></b>
Initial Term	1 yr.	\$225,000		\$225,000
Contract Amendment		\$ 61,000		\$ 61,000
Extension Option 1	1 yr.	\$195,000		\$195,000
Proposed Amendment			\$400,000	\$400,000
<b>TOTALS</b>	<b>2 yrs.</b>	<b>\$481,000</b>	<b>\$400,000</b>	<b>\$881,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.

**Strategic Outcome(s):**

Economic Opportunity and Affordability.