



MEMORANDUM

To: Mayor and City Council

From: Ken Griffin, P.E., Director of Engineering and Public Works

Date: April 11, 2017

Reference: Award Annual HVAC Maintenance Contract through National Intergovernmental Purchasing Alliance (National IPA) Agreement

2030: Sustainable City Government, Goal 3
Excellent and Well-maintained City Infrastructure and Facilities

General Information:

- Agreement total \$890,200.00; \$24,727.78 for 36 months
- Agreement term is effective May 1, 2017 – April 30, 2020
- Contract includes 25 municipal buildings totaling 263,582 square feet
- Full Maintenance including compressors

Introduction:

This agenda item is being presented to consider approval of awarding the Annual HVAC Maintenance Contract to TDIndustries, Inc. through the National IPA Agreement #R150501-TX-3426, in the amount of \$890,200.00 for a three-year period beginning May 1, 2017 as budgeted in general fund; and authorizing the City Manager to sign any necessary documents.

Analysis:

The annual HVAC Maintenance contract was bid last in 2013 with options to renew for an additional 4 years. In 2013, we had 210,000 square feet of space and the bid amount was \$186,443.00 or \$0.89/square foot. Since the original contract, the City has increased the square footage of municipal buildings with the purchase of 265 Parkway, the Biodiversity Center, the conversion of the jail into additional offices, the historical buildings at Heritage Park, the expansion of the CORE, the expansion of the Library, and the new construction of the Life Safety Park.

The Interlocal Cooperation Act, Chapter 791 of the Government Code and Local Government Code, Chapter 271 authorizes local governments to enter into interlocal agreements with other governmental jurisdictions. All agreements offered through National IPA have been awarded via a thorough Request for Proposal (RFP) competitive solicitation by a public agency/governmental entity (e.g. state, city, county, public university or school district). National IPA is committed to the integrity of the procurement process, and saves time and money.

Results of our internal services survey over the last three years indicated that HVAC services needed improvement. In addition to the added space, the current vendor has not worked as a partner to the

City resulting in many hardships. After several meetings with the vendor, Facilities has opted not to renew for the final extension. Instead, Facilities has opted to engage in a contract with the National IPA awarded vendor, TDIndustries. Investigation of the company has proved that TDIndustries shares the same core values as the City by investing their time and energy into Servant Leadership.

Historically, the City has awarded full service HVAC Maintenance contracts. Full service maintenance coverage provides for all labor, parts, materials and miscellaneous expenses associated with maintaining and repairing the equipment identified in the agreement, including compressors, with 24/7 coverage. TDIndustries, Inc will make quarterly maintenance inspections for a total of four (4) scheduled site visits during each year of this agreement.

It's Facilities opinion that TDIndustries will deliver the exceptional service that meet and exceed the expectations of not only our employees, but citizens who frequent our facilities. The Engineering Department and Facilities Division recommend award of the HVAC Maintenance Contract to TDIndustries, Inc. through National IPA in the amount of \$890,200.00, or \$296,733.33 per year and \$1.12/square foot as budgeted, beginning May 1, 2017, and authorizing the City Manager to sign any necessary documents.

Legal Review:

N/A

Fiscal Impact:

The fiscal impact of this Agenda item is \$890,200.00, as budgeted.

Recommendation:

The Engineering Department recommends approval of this contract with TDIndustries.