

Agenda Report

October 3, 2022

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH CONTROL AIR ENTERPRISES, LLC FOR HEATING, VENTILATION, AND AIR CONDITIONING ("HVAC") INSPECTION AND MAINTENANCE SERVICES FOR AN AMOUNT NOT TO EXCEED \$450,000.

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378 and, as such, no environmental document pursuant to CEQA is required for the project; and
2. Accept the bid dated July 25, 2022, submitted by Control Air Enterprises, LLC ("Control Air") in response to Specifications for Heating, Ventilation, and Air Conditioning ("HVAC") Inspection and Maintenance Services for the Water and Power Department ("PWP"); reject all other bids after contract execution; authorize the City Manager or designee to enter into a contract with Control Air for an amount not to exceed \$360,000 or a period of four years, whichever occurs first, with the option for one additional extension of one year or an amount not to exceed \$90,000, whichever occurs first, at the discretion of the City Manager for a maximum contract length of five years or a total amount not to exceed \$450,000.

BACKGROUND:

PWP has various facilities located throughout the City that contribute to the water and electric service delivery to its customers. The facilities house various utility operations, which include but are not limited to, water treatment facilities, electric substations, control rooms, etc. These facilities all have HVAC systems which need routine maintenance and repair. Some of the repairs made to these particular units are addressed by Public Work's Building, Systems, and Fleet Maintenance Division's ("BSFMD") HVAC group. However, due to the broad spectrum of facilities and related systems across the City, additional resources are needed to enhance the routine maintenance for these pieces of equipment.

On June 22, 2022, a Notice Inviting Bids for Specifications for HVAC Inspection and Maintenance Services was published in the Pasadena Press and Pasadena Journal. The invitation was also published on PlanetBids, which generated notices to all vendors previously registered with the City for this particular commodity class. A total of 35 vendors downloaded the Specification of which four were local. A total of eight bids, one from a local vendor, were received by the bid opening date. BSFMD was consulted in the preparation of the Specifications and the review of bids received. The bid results are shown below in Table I.

Table I: Bid Results

Bidder	Location	Annual Bid Amount
Subcool, Inc.	Glendale, California	Non-Responsive
Control Air Enterprises, LLC	Anaheim, California	\$40,223
Pacific West Industries, Inc.	Anaheim, California	\$43,748
Industrial Commercial Systems	Vista, California	\$47,833
Thermal Air Conditioning, Inc.	Pasadena, California	\$49,268 (\$46,804.60*)
Southland Industries	Garden Grove, California	\$49,719
F.M. Thomas Air Conditioning, Inc.	Brea, California	\$51,550
Seacliff Mechanical Services	Huntington Beach, California	\$363,388

*Bid amount after local preference of 5% was applied

Control Air was the lowest responsive and responsible bidder for this Specification. Therefore, staff recommends that the City Council authorize the City Manager or designee to enter into a contract with Control Air for an amount not to exceed \$360,000 or a period of four years, whichever occurs first, with the option for one additional extension of one year or an amount not to exceed \$90,000 per year, whichever occurs first, at the discretion of the City Manager.

The recommended total not to exceed amount of \$450,000 is based on PWP's expected workload and includes projected cost increases. The contract does not guarantee any minimum amount of labor or materials over the term of the proposed contract.

The City has not awarded any purchase orders or contracts to this vendor since 2016. The proposed contract complies with the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code Chapter 4.08 and the rules and regulations promulgated thereunder.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council's goals to maintain fiscal responsibility and stability, and PWP's strategic initiatives to enhance customer satisfaction and confidence, improve efficiency and business continuity, and maintain PWP's fiscal health and stability.

ENVIRONMENTAL ANALYSIS:

The action proposed herein is not subject to CEQA in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060 (c)(2), 15060 (c)(3), and 15378. The authorization of the proposed contract, which provides for the purchasing of equipment, is a continuing administrative and maintenance activity (i.e., purchasing of supplies). Moreover, this action would not commit the City to undertaking or approving any actual or specific physical construction activities or any other actions that involve physical changes to the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.


FISCAL IMPACT:

The maximum cost of this action will be \$450,000 if all contract periods and optional extensions are fully exercised. There is no minimum expenditure for this contract and service will be requested as needed based on operational needs. Funding for this action will be addressed by the utilization of existing and future appropriations in Power Operating Fund 401 and Water Operating Fund 402 utilizing the Other Contract Services account number 811400. The contract summary is shown below in Table II.


Table II: Contract Summary

Contract Expenditures	Amount
Base Contract (Year 1 – 4)	\$360,000
One-Year Extension	\$90,000
Total PO Contract Including All Extensions	\$450,000

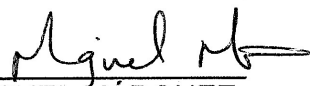
Respectfully submitted,


JEFFREY KICHTLINGER
Interim General Manager
Water and Power Department

Prepared by:


MARVIN D. MOON
Assistant General Manager
Water and Power Department

Approved by:


MIGUEL MÁRQUEZ
City Manager