

# Agenda Report

May 22, 2023

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT: CONTRACT AWARD TO TRANE US INC. FOR REPLACEMENT OF CHILLER EQUIPMENT IN AN AMOUNT NOT-TO-EXCEED \$155,705**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that this action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines in accordance with Title 14, Chapter 3, Article 19, Class 1, Section 15301, Existing Facilities, which exempts minor alteration of existing public facilities where no expansion of existing use will take place;
2. Authorize contract award to Trane US Inc. (Trane) for the replacement of Trane chiller equipment to replace the existing system at the Police Department for an amount not-to-exceed \$155,705 (including \$14,155 contingency); and
3. Neither Competitive Bidding and Competitive Selection are required pursuant to City Charter Section 1002(H), contracts with other governmental entities or their contractors for labor, material, supplies, or services and Pasadena Municipal Code (PMC) 4.08.049(B), contracts for which the City's best interests are served.

## **BACKGROUND:**

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) is responsible for maintaining and performing needed repairs to City facilities and replacements of building systems. The chiller equipment at the Police Department provides critical cooling for the Property and Evidence Room. This unit is over 15 years old and is due for replacement.

In November 2021, City Manager approved the issuance of a purchase order to Allison Mechanical, Inc. to furnish a Trane 20-ton Air-Cooled packaged chiller as a result of the formal competitive bid process posted in October 2021. Installation was originally to be

performed by BSFMD technicians. However, supply chain issues resulted in a one-year delay between the time of order and delivery. Since then, due to unexpected staff attrition in BSFMD, it has now become necessary to hire an outside vendor to provide installation services. This specialized installation will also involve upgrades to all chilled water piping and insulation, new starter and controls for the chilled water pump, and replacement of broken gauges to include newer gauges with thermometers.

National Intergovernmental Purchasing Alliance Company dba as OMNIA Partners (OMNIA) is the largest cooperative purchasing agency for public sector procurement that nationally solicits, evaluates and awards contracts through a competitive selection process on behalf of its members to ensure the lowest pricing available. The City has been a participating OMNIA member since December 2007. Trane was awarded a contract (#3341) in August 2022 by the lead government agency of Racine County in Wisconsin for Heating, Ventilation, Air-Conditioning (HVAC) Products; Installation; Labor Based Solutions; and Related Products and Service. This government contract is current and expires in August 2027. Contract provisions include expanded application of this contract to be in accordance with, and governed by, the laws of the state in which the participating public agency resides and specifically states where the labor rates are based on regional and national rates, thereby complying with California prevailing wages.

Trane is a global company that has been in the HVAC business since 1913. Trane's North America operations is headquartered in North Carolina with its Los Angeles office located in Brea, CA. The City has been doing business with this vendor to procure various Trane equipment parts and services. Since 2016, the City has issued purchase orders totaling \$139,106. It is in the best interest of the City to avail of the chiller installation services directly from the equipment manufacturer, Trane, which will ensure that critical equipment is properly installed per the manufacturer's specification and by qualified technicians using authorized parts. Moreover, utilizing the OMNIA government contract eliminates the need to solicit for items that are already competitively priced.

The old chiller being replaced increasingly requires recurring and costly service repairs as it is at the end of its useful life. Immediate replacement is recommended before the summer heat arrives and to avoid equipment failure that would impact the controlled temperature required at the Police Department's evidence storage room.

**COUNCIL POLICY CONSIDERATION:**

This project addresses City Council's goals to maintain fiscal responsibility and stability; improve, maintain, and enhance public facilities and infrastructure; and ensure public safety.

**ENVIRONMENTAL ANALYSIS:**

This proposed project is exempt from CEQA pursuant to State CEQA Guidelines in accordance with Title 14, Chapter 3, Article 19, Class 1, Section 15301, Existing Facilities, which exempts minor alteration of existing public facilities where no expansion of existing use will take place.

**FISCAL IMPACT:**

The total cost of this this action is \$155,705. Funding will be addressed by the utilization of existing budgeted appropriations from the *Building Maintenance FY 2021-2025 (71903)* Capital Improvement Program project. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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TONY OLMOS, P.E.  
Director of Public Works

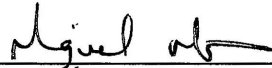
Prepared by:



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Grace Wu  
Acting Public Works Administrator BSFMD

Approved by:



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MIGUEL MÁRQUEZ  
City Manager