

# Agenda Report

July 14, 2025

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH TRANE U.S. INCORPORATED FOR ON-CALL HEATING, VENTILATION, AIR-CONDITIONING PRODUCTS, EQUIPMENT, RELATED PRODUCTS AND SERVICES FOR AN AMOUNT NOT-TO-EXCEED \$800,000

## **RECOMMENDATION:**

It is recommended that the City Council:

- Find that the actions proposed herein to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3) Article 19, Section 15301, Class 1 – Existing Facilities and Section 15302, Class 2 – Replacement or Reconstruction, and that there are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances; and
- 2. Authorize the City Manager to enter into a contract with Trane U.S. Incorporated for on-call Heating, Ventilation, Air-Conditioning Products, Equipment, Related Products and Services in an amount not to exceed \$800,000. Competitive price bidding is not required pursuant to City Charter Section 1002(H) (Contracts with other governmental entities or their contractors for labor, material, supplies or services).

## BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) is responsible for the maintenance, replacement and repair of municipal buildings and city facilities heating, ventilation, and air-conditioning (HVAC) systems. The adopted fiscal year (FY) 2026 Capital Improvement Program budget contains a

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project for HVAC replacement. This project provides for the evaluation, and replacement of HVAC systems at various city facilities that are reaching or are at the end of their useful life cycle. Potential sites identified include BSFMD Administration building, Public Works HVAC, carpentry, paint and plumbing shops, and Fire Stations 32, 34 and 37. The evaluation of HVAC systems will begin in FY 2026 followed by a replacement schedule. BSFMD recommends issuing a contact with Trane US Inc. (Trane) utilizing the National Intergovernmental Purchasing Alliance Company dba as OMNIA Partners (OMNIA) contract to provide equipment, service and repair of Trane HVAC units. 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 with the initial term expiring on August 31, 2027, with the option to renew for one additional five-year period through August 31, 2032. Trane has agreed to honor the contract pricing from the OMNIA contract for the City of Pasadena. 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 HVAC equipment is highly specialized and should be installed and maintained by knowledgeable factory technicians who repeatedly install and maintain the Trane brand of equipment. Installation errors can cause catastrophic failure, significantly impacting building occupant comfort and health. Trane will commission any equipment installed and ensure the City's satisfaction on all projects. Trane is also the only factory authorized dealer with technicians that have readily available factory support should an issue arise during the completion of their installation or maintenance tasks.

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. The City has been doing business with this vendor to procure various Trane equipment parts and services since 2016 and has issued purchase orders and contracts totaling \$398,146.

Staff recommends Trane U.S. Incorporated be awarded a contract for a total not-to-exceed amount of \$800,000 for on-call heating, ventilation, air-conditioning products, equipment, related products and services.

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### **COUNCIL POLICY CONSIDERATION:**

This action supports the City Council's strategic planning goal to improve, maintain, and enhance public facilities and infrastructure.

### **ENVIRONMENTAL IMPACT:**

The proposed action has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Class 1 – Existing Facilities and Section 15302, Class 2 – Replacement or Reconstruction. Class 1 includes the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use. Class 2 consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. The proposed contract would provide for the replacement of HVAC equipment at existing municipal buildings/facilities. There would be no expansion of use or capacity at any of the involved buildings/facilities. There are no features that distinguish this project from others in the exempt classes and, therefore, there are no unusual circumstances.

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#### FISCAL IMPACT:

The total cost of this contract is \$800,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Building Maintenance Fund (502) and existing appropriations in the *HVAC Replacement at City Facilities* (71934) CIP project in fiscal year 2026. There is no impact to the General Fund.

Respectfully submitted,

By devir

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