



# City of Emeryville

CALIFORNIA

## MEMORANDUM

**DATE:** July 23, 2019

**TO:** Christine Daniel, City Manager

**FROM:** Andrew Clough, Public Works Director

**SUBJECT:** **Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Enter Into A Three (3) Year Maintenance Contract In The Amount Of \$270,139 With Matrix HG Inc. For HVAC Maintenance At Various City Owned Buildings For Fiscal Years 2019/20, 2020/21, And 2021/22 And Authorizing The City Manager To Execute Up To Two (2) Additional One Year Extensions Not To Exceed \$96,422 The First Year And \$99,797 The Second Year, Contingent Upon The City Council Appropriating Funds For The Applicable Fiscal Year, For A Total Contract Value Not To Exceed \$466,358**

### RECOMMENDATION

Staff recommends that the City Council adopt the above-entitled Resolution.

### BACKGROUND

The City contracts for Heating Ventilation and Air Conditioning (“HVAC”) maintenance services for all City-owned building facilities. In May 2019, the City released a Request for Proposals (“RFP”) for multi-year HVAC Maintenance Services. The City received three proposals, of which Matrix HG Inc. was deemed to be the lowest cost and most responsible bidder. In addition to these factors, Matrix HG Inc. provided a Statement of Qualifications, which provided detailed information about their business size, stability, and capacity. Further details described the company’s experience performing services for projects of a similar size, scope, and complexity as the services required by the RFP. Additionally, references conveyed positive responses when solicited for background information.

The intent is for the Contractor to perform preventative, corrective, and emergency maintenance on City owned HVAC assets over the course of the Contract.

### DISCUSSION

The first year of the contract (FY 2019/20) is in the amount of \$86,967, and is divided into two operating areas:

1. Routine HVAC Maintenance Services: \$31,967. This amount includes the total annual cost for routine maintenance of the areas listed in Exhibit “A” of the Maintenance Contract. This is primarily preventive maintenance, filter changes, equipment checks, cleanings etc.

- An allowance in the amount of \$55,000 is also included for “non-routine work” to be completed in accordance with the terms of the Contract. The “non-routine work” will be scoped, bid and approved by the City in writing on a Task Order basis. Examples of non-routine work include equipment rebuilding, replacement, and/or installation. This type of work is beyond the scope of regular preventive maintenance and is typically the result of unforeseen circumstances, equipment failures, or malfunctions that require additional repairs or adjustments. This estimate is based on a review of past expenditures and an evaluation of what may be required to maintain the existing aging infrastructure.

Contract year	Amount	Included CPI
2019/2020	\$86,967.00	
2020/2021	\$90,011.00	3.5%
2021/2022	\$93,161.00	3.5%
2022/2023	\$96,422.00	3.5%
2023/2024	\$99,797.00	3.5%
Total Contract Amount: \$466,358.00		

The total for the first three years of the contract is \$270,139. This assumes an annual CPI of 3.5%.

Staff further recommends the City Council authorize the City Manager to execute up to two additional one-year extensions not to exceed \$96,422 the first year and \$99,797 the second year, contingent upon the City Council appropriating funds for the applicable fiscal year, for a total contract value not to exceed \$466,358.

### **FISCAL IMPACT**

There is sufficient funding budgeted in the operating budget for fiscal years 2019/20 and 2020/21 in the Major Maintenance Fund 650. Continuation of the contract for additional fiscal years will be contingent upon the City Council appropriating funds for the applicable fiscal year(s). The rate sheet will be adjusted each fiscal year providing the Contractor with a cost of living adjustment based on the Bay Area Consumer Price Index, to a maximum of 5% per year.

### **STAFF COMMUNICATION WITH THE PUBLIC**

No staff communication with the public.

**PREPARED BY:** Andrew Clough, Public Works Director

**APPROVED AND FORWARDED TO THE  
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



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Christine Daniel, City Manager

**ATTACHMENTS**

- Draft Resolution
- HVAC Maintenance Services Contract