



AGENDA SECTION	CONSENT
MEETING DATE	NOVEMBER 9, 2020

CITY OF COLUMBIA HEIGHTS - COUNCIL LETTER

ITEM:	HVAC MAINTENANCE PROPOSALS		
DEPARTMENT: PUBLIC WORKS		CITY MANAGER'S APPROVAL:	
BY/DATE: KEVIN HANSEN/November 5, 2020		BY/DATE: <i>Kell Bongers</i> 11/6/20	
CITY STRATEGY: N/A			
Additional Strategy? Choose an item.			
SHORT TERM GOAL (IF APPLICABLE): Choose an item.			
Additional Goal? Choose an item.			

BACKGROUND: The City of Columbia Heights has had a contractual relationship with Horwitz for preventive maintenance service on building HVAC since November 2009. The service contract included only preventive maintenance on City buildings and hourly rates for emergency services. Major repairs or replacement of HVAC equipment is addressed on an as-needed basis through the City procurement policy. A three-year contract from January 1, 2018 through December 31, 2020 was approved for City facilities.

An RFP was prepared to include preventive maintenance services on all City buildings and to provide rates for emergency service on a time and materials basis. The intent was to obtain the best pricing by not including equipment replacement and/or major repairs under a long-term contract. With the relatively newer age of most of our primary building HVAC, the most cost-effective strategy is to continue to fund the replacements and major repairs of HVAC equipment separately. The public facilities in the RFP included: City Hall, Library, Public Safety, Murzyn Hall, Municipal Service Center, liquor stores (3), water pump stations, sewer lift stations, and park buildings. In an effort to discern what the marketplace offered for competitive prices, the RFP was sent out to the following vendors:

1. Daiken
2. Yale Mechanical Services
3. Modern Heating and Air
4. Horwitz

Completed RFP's were received 10/30/20 from:

1. Horwitz
2. Yale Mechanical Services
3. Daiken
4. Modern Heating and Air

After the initial review of all four RFP's, Daiken and Yale were eliminated because of the high cost.

Proposal costs are provided on the following chart for years 1-3 annually as required in the RFP, including the 3-year total, trip charge for repairs and hourly service technician rates for repairs:

Proposer	Year 1	Year 2	Year 3	Trip Charge	Hourly Rate	3-Year Total
Horwitz	49,848	49,848	49,848	N/C	118	149,544
Yale Mechanical Services	51,599	51,599	51,599	95	155	154,797
Modern Heating and Air	47,200	48,000	49,000	65	145	144,200
Daiken	55,404	57,066	58,778	N/C	153	171,248

The prior approved contract for 2018 - 2020 was \$49,848, annually.

STAFF RECOMMENDATION: Staff recommends contracting with Horwitz because of the following:

- Competitive price and lowest total cost over the 3-year term, when factoring in trip charges and hourly rates for repairs.
- Experience in refrigeration servicing (e.g. coolers at liquor stores)
- Online tracking portal for maintenance requests, issues and completion of tasks.
- Flat rate for time/material services and no trip charge.
- Complete response to Scope of Services request.

RECOMMENDED MOTION(S): Move to accept the proposal for HVAC Preventive Maintenance Services for City facilities from Horwitz, based upon their proposal amount of \$149,544 and, furthermore, to authorize the Mayor and City Manager to enter into a 3-year contract for the same.

ATTACHMENT(S): None