



Folsom City Council Staff Report

MEETING DATE:	11/12/2024
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11289 – A Resolution Authorizing the City Manager to Execute an Agreement with Leed Mechanical for the HVAC Replacement Project at 405 Natoma Station Drive
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council approve Resolution No. 11289 – A Resolution Authorizing the City Manager to Execute an Agreement with Leed Mechanical for the HVAC Replacement Project at 405 Natoma Station Drive

BACKGROUND / ISSUE

The city-owned property at 405 Natoma Station Drive is currently being leased to Kids Inc, a licensed daycare facility. To provide heating and air-conditioning, the building has 9 roof-top HVAC units (RTU). These RTUs are original to the building and have been in place since 1998. The entire HVAC system has exceeded the system’s useful life, and several replacement components for the RTUs are no longer available. Service calls have increased considerably over the past 3 years, and two of the RTUs had to be replaced this summer. It is no longer reasonable to expect to get another summer season out of the 7 remaining units. The scope of the project includes the removal of the existing HVAC units and thermostats, and then following up with the installation of energy-efficient RTUs and “Smart” thermostats.

As stated above, the building opened in 1998. The HVAC system is 26 years old. As stated above, all major components are original to the building and have an operational life of 26 years. The American Society of Heating, Refrigeration, and Air-Conditioning Engineers (ASHRAE) equipment life expectancy (useful life) is shown below:

- Roof Top Air Conditioners – 15 years

Installation of a new HVAC system will save on utility costs and provide reliable heating and air, which is an important consideration due to the usage of the space.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, Public Works projects costing \$73,209 or greater shall be competitively bid and contracted for by the City Council.

Public Contract Code (PCC) § 10290 et seq. and 12101.5 include approval for local government agencies to use CMAS for acquisition of information technology and non-information technology products and services.

Public Contract Code (PCC) § 10298 and 10299 authorizes local government agencies and school districts to use CMAS and other Department of General Services (DGS) agreements without competitive bidding.

ANALYSIS

The Parks & Recreation Department is utilizing California Multiple Award Schedules (CMAS) cooperative purchasing for this project. Cooperative purchasing enables public agencies to leverage collective buying power, resulting in cost savings, efficiency, and a streamlined procurement process. CMAS is not established through a competitive bid process, however, all pricing, products and/or services offered must have been previously bid and awarded on a Federal General Services Administration (GSA) multiple award schedule. Contractors must offer to provide products and/or services at prices based on an existing GSA schedule, or “base” contract. The State of California adds standard contract terms and conditions and procurement codes, policies, and guidelines, which result in the award of a CMAS, an independent California agreement for the same products and services at equal or lower prices.

LEED Mechanical is a qualified CMAS vendor for HVAC equipment and air compressors and the estimate for this project is \$200,000.

FINANCIAL IMPACT

Installation of new HVAC and controls should not exceed \$220,000 which is the total of the Leed Mechanical bid (\$200,000) and a 10% contingency of \$20,000 for unanticipated HVAC structural or infrastructure-related issues.

As part of the 2023-24 fiscal year budget, the Parks and Recreation Department received funding in their capital budget for the replacement of the HVAC system at 405 Natoma. This funding has been carried over for FY 2024-25 and is available in the General Fund (Fund 010).

ENVIRONMENTAL REVIEW

This project is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

Resolution No. 11289 – A Resolution Authorizing the City Manager to Execute an Agreement with Leed Mechanical for the HVAC Replacement Project at 405 Natoma Station Drive

Submitted,

Kelly Gonzalez,
Parks & Recreation Director

RESOLUTION NO. 11289

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH LEED MECHANICAL FOR THE HVAC REPLACEMENT PROJECT AT 405 NATOMA STATION DRIVE

WHEREAS, The Parks & Recreation Department staff has validated the need to replace the existing 405 Natoma Station Drive HVAC system; and

WHEREAS, staff is utilizing Cooperative Purchasing (California Multiple Award Schedules "CMAS") for the replacement of the existing HVAC system; and

WHEREAS, Leed Mechanical is a certified CMAS vendor; and

WHEREAS, Leed Mechanical provided an estimate of \$200,000 for this project and a 10% contingency of \$20,000 for unanticipated HVAC structural or infrastructure-related issues, bringing the total of the project to \$220,000; and

WHEREAS, funds are budgeted and available in the General Fund (Fund 010) for this project; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with Leed Mechanical for the HVAC replacement project at 405 Natoma Station Drive for the amount not to exceed \$220,000

PASSED AND ADOPTED this 12 day of November 2024, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK