



Folsom City Council Staff Report

MEETING DATE:	7/14/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11664 – A Resolution Authorizing the City Manager to Execute Construction Change Order No. 1 with LEED Mechanical Inc. in the amount of \$69,300 for the Folsom Public Library HVAC Replacement Project from the Facility Rehabilitation Fund (Fund 602) and Appropriation of Funds
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

The Parks & Recreation Facility Services Division recommends that City Council approve Resolution No. 11664 – A Resolution Authorizing the City Manager to Execute Construction Change Order No. 1 with LEED Mechanical Inc. in the amount of \$69,300 for the Folsom Public Library HVAC Replacement Project from the Facility Rehabilitation Fund (Fund 602) and Appropriation of Funds.

BACKGROUND / ISSUE

As part of the FY 25/26 budget process, the City Council approved the Library HVAC Replacement Project. On October 28, 2025, the City Council approved Resolution No. 11490, authorizing the City Manager to execute a construction agreement with LEED Mechanical Inc. for a not-to-exceed amount of \$305,703 for the replacement of 9 roof-top HVAC units serving the Folsom Public Library at 411 Stafford Street.

As construction progressed and the HVAC units were installed, follow-up testing within the library revealed an existing controller unit that does not sync properly with the newly installed VAV (Variable Air Volume) units, which control the amount of air moving through the system. Currently, the units are controlled by thermostats that are divided between separate zones within the library, which results in uneven cooling, which is not ideal for a building that is the “Cooling Center” for the city.

Staff requested a cost proposal from LEED Mechanical for the installation of an HVAC controller to manage the newly installed Rooftop Air Conditioning (HVAC) units serving the Folsom Public Library, and the contractor provided a cost of \$69,300.

POLICY / RULE

In accordance with Chapter 2.36.120 of the Folsom Municipal Code, contracts for supplies, equipment, services, and construction with an estimated value of \$77,426 or greater shall be awarded by the City Council.

ANALYSIS

Staff have reviewed the costs for the additional scope of work to install a new HVAC controller and found the price is appropriate and consistent with expected costs for this scope of work. The original estimated cost for the HVAC replacement work was \$1,100,000, so while the addition of this change order work exceeds the original not-to-exceed amount, it is still a substantial cost savings from what was originally anticipated for the project.

Installing a new controller will allow the system to operate as designed. The controller is compatible with similar controllers at City Hall and the Community Center and will allow facilities staff to monitor the system remotely and make settings changes to better serve library activities.

The City Council's approval of Resolution No. 11490 authorized the execution of the original contract with LEED Mechanical, Inc., for \$277,911, with the project budgeted at a total not to exceed amount of \$305,703, which included a 10% contingency of \$27,792 for potential change orders. The initial authorized contingency has not been utilized under the original scope of work; therefore, staff recommend that the contingency be utilized for this effort. An additional appropriation of \$41,600 is required for Change Order No. 1, bringing the new total not-to-exceed contract amount to \$347,303.

FINANCIAL IMPACT

If approved the construction change order with LEED Mechanical, Inc. for the purchase and installation of the new HVAC control system for the amount of \$69,300 would be funded through the Facility Rehabilitation Fund (Fund 602). An appropriation in the amount of \$41,600 will be required for the change order. Sufficient funds are available in the Facility Rehabilitation Fund (Fund 602) for this appropriation.

ENVIRONMENTAL REVIEW

This project is exempt from environmental review under the California Environmental Quality Act (CEQA) Guidelines Section 15301- Existing Facilities.

ATTACHMENT

Resolution No. 11664 – A Resolution Authorizing the City Manager to Execute Construction Change Order No. 1 with LEED Mechanical Inc. in the amount of \$69,300 for the Folsom Public Library HVAC Replacement Project from the Facility Rehabilitation Fund (Fund 602) and Appropriation of Funds.

Submitted,

Kelly Gonzalez
Parks & Recreation Director

Attachment 1

RESOLUTION NO. 11664

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE
CONSTRUCTION CHANGE ORDER NO. 1 WITH LEED MECHANICAL INC. IN THE
AMOUNT OF \$69,300 FOR THE FOLSOM PUBLIC LIBRARY HVAC
REPLACEMENT PROJECT FROM THE FACILITY REHABILITATION FUND
(FUND 602) AND APPROPRIATION OF FUNDS**

WHEREAS, Resolution 11490 authorized the City Manager to execute a construction agreement with LEED Mechanical Inc. for \$277,911 with the project budgeted for a total not to exceed amount of \$305,703 which included a ten percent contingency for potential change orders, for the Folsom Public Library HVAC Replacement Project; and

WHEREAS, City staff identified the need for extra work following the initial HVAC installation to install a new controller that was outside the scope of the original contracted work; and

WHEREAS, LEED Mechanical, Inc. provided a cost for the proposed Construction Change Order No. 1 in the amount of \$69,300; and

WHEREAS, funds from the original contingency authorization are available for use on this change order work; and

WHEREAS, sufficient funds are available in the Capital Facilities Fund (Fund 602) to cover the remainder cost of the proposed change order work; and

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

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes the City Manager to execute Construction Change Order No. 1 with LEED Mechanical Inc. in the amount of \$69,300 for the Folsom Public Library HVAC Replacement Project to install a new HVAC controller unit for a new total not-to exceed contract amount of \$347,303.

BE IT FURTHER RESOLVED that the Chief Financial Officer is authorized to appropriate \$41,600 in the Facility Rehabilitation Fund (Fund 602) to cover the cost of the change order.

PASSED AND ADOPTED this 14th day of July 2026, by the following roll-call vote:

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

Justin Raithel, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK