



Subject: ABM Status Report – Public Works/ Procurement Department

Submitted By: Bobby Jinks

Date Submitted: July 09, 2021

Work Session Date: July 19, 2021

Council Meeting Date: July 19, 2021

Background/History:

Our HVAC Maintenance Contractor is ABM. They have had the contract with the City of Forest Park since 1997. They have done a good job for the City during this time, but the contract has an automatic renewal clause. The contract comes up for renewal August 1, 2021. The Department of Procurement forwarded an email to ABM in May stating the City will not automatically renew the contract. The Department of Procurement along with the Department of Public works requested ABM to do an assessment of our HVAC systems throughout the City. ABM is here today to present their findings regarding the audit of our HVAC systems, and to discuss price escalation for the Maintenance Contract since there has not been a price increase since 1997. ABM will also present their Building Energy Solutions Program, a paid-from-savings funding solution for replacing the old HVAC equipment, upgrading controls, and addressing other facilities operational needs.

Cost: \$ Varies based on contract option

Budgeted for: _____ **Yes** **No**

Financial Impact:

The current contract agreement annual cost is \$67,820.04. Three renewal options were given and based on:

Option 1: Annual Investment will be \$98,460 which is a 45% increase

Option 2: Annual Investment will be \$51,312 for a 24% decrease

Option 3: Annual Investment will be \$79,968 for a 18% increase

Action Requested from Council:

To approve the extension of the maintenance contract for one more year as well as approve the performance audit of all HVAC equipment