



CITY OF NOVI CITY COUNCIL
DECEMBER 1, 2025

SUBJECT: Approval to award the Heating, Ventilation, and Air Conditioning (HVAC) Services contract to Lyon Mechanical Inc. for one year with the option of two additional one-year renewals at \$54,333 annually.

SUBMITTING DEPARTMENT: Integrated Solutions – Facilities Division

KEY HIGHLIGHTS:

- Current HVAC Services contract expires on January 5, 2026.
- The City received six bids for this contract.
- Lyon Mechanical Inc. had the lowest materials markup, one of the lowest hourly rates (straight and overtime), and one of the fastest response times for service calls.
- Lyon Mechanical Inc. is a local contractor, specializing in HVAC work, with 41 years in business and outstanding references.

FINANCIAL IMPACT

	FY 25/26	FY 26/27	Total
EXPENDITURE REQUIRED	\$ 21,564	\$ 54,333	\$ 75,897
BUDGET			
1. Contractural Services (101-265.00-814.000)	\$ 4,950	\$ 9,900	\$ 14,850
2. Building Maintenance (101-301.00-934.000)	\$ 4,762	\$ 9,524	\$ 14,286
3. Building Maintenance (101-336.00-934.000)	\$ 4,625	\$ 13,875	\$ 18,500
4. Park Building Maintenance (101-265.10-934.208)	\$ 1,026	\$ 2,757	\$ 3,783
5. Building Maintenance (101-265.00-934.442)	\$ 4,983	\$ 14,949	\$ 19,932
6. Building Maintenance (101-265.00-934.302)	\$ 326	\$ 652	\$ 978
7. Indoor Gun Range Operating Costs (101-301.00-740.302)	\$ 892	\$ 2,676	\$ 3,568
APPROPRIATION REQUIRED	\$ 0	\$ 0	\$ 0

FUND BALANCE IMPACT	\$ 0	\$ 0	\$ 0
Pricing under FY 25/26 shows the remaining costs of preventative maintenance yet to be completed, minus those already completed.			

BACKGROUND INFORMATION:

The City of Novi contracts heating, ventilation, and air conditioning (HVAC) services for the Civic Center, Police Station, Gun Range, Department of Public Works, Fire Stations 1-5, and Lakeshore Park. The scope of services under this contract includes scheduled preventative maintenance, general repairs, proposed upgrades, and seasonal start-up/shutdown. The request for proposal was posted on the Michigan Intergovernmental Trade Network (MITN). The process resulted in six vendor proposals for the service. A team of City staff reviewed the proposals and evaluated the firms' qualifications, hourly rates, staff, equipment, and references. After careful consideration, this team recommends awarding the HVAC Services contract to Lyon Mechanical Inc.

RECOMMENDED ACTION: Approval to award the heating, ventilation, and air conditioning (HVAC) services contract to Lyon Mechanical Inc. for one year with the option of two additional one-year renewals at \$54,333 annually.