



Oelwein Public Library
201 East Charles Street ~ Oelwein, Iowa 50662-1939
319.283.1515 (v) ~ 319.283.6646 (f)

June 21, 2023

To: Mayor, City Council, and City Administrator
From: Susan Macken, Library Director

Project: Library HVAC

The following contractors were invited to look at the current HVAC system, give recommendations for resolving the HVAC issues, and submit an estimate for replacing the HVAC system:

Ken's Electric - Oelwein
Young Plumbing and Heating - Waterloo
Plumb Tech - Waterloo
Mick Gage Plumbing and Heating – New Hampton
Johnson Plumbing, Heating, and Cooling - Oelwein
Fitzpatrick Water and Plumbing - Hazleton
Casper Plumbing and Heating - Decorah
Bergen Plumbing and Heating - Waterloo
NEIA Mechanical - Elgin
Marv Smith Electric, Plumbing, and Heating – Fort Atkinson

The following contractors submitted estimates for replacing five (5) heat pumps:

NEIA Mechanical -	\$192,580.94
Upgrade to 5 year Parts Warranty -	\$ 8,607.12
Total with upgrade -	\$201,188.06
Warranty: 18 months parts	

Plumb Tech -	\$231,229.00
Warranty: 1 year parts	
5 year refrigeration circuit parts	

Ken's Electric -	\$231,855.00
Warranty: 1 year parts	
3 years labor	

The following measures were taken to try and reduce the cost of replacing the HVAC system:

- Submitted an Equipment Breakdown Endorsement claim to EMC Insurance. This claim was denied.
- Researched the federal Inflation Reduction Act Geothermal Heat Pumps Tax Credit. This is for homeowners.
- Researched the Tax Deductions for Commercial Buildings. This is a tax deduction for systems demonstrating a 50% reduction in energy usage using a software program to calculate energy usage.
- Researched geothermal incentives on the Iowa Geothermal Association website. This circled back to the Geothermal Tax Credit for homeowners.
- Researched Alliant Energy Rebates. These are for new residential geothermal systems.

All the contractors stated that it is possible, but not recommended, to repair the HVAC system. The system is 17 years old and uses the R22 refrigerant that is no longer produced. R22 can only be acquired by harvesting it from decommissioned systems. Attached is a list of repairs from 2009-2022.

The Library Board of Trustees reviewed the following documents: estimates submitted, incentives sought, insurance company report, and repair history. The Board of Trustees recommend for the City Council's consideration replacing the five (5) HVAC units using NEIA Mechanical as the contractor with an estimate of \$192,580.94. This does not include the upgraded warranty option.

Respectfully submitted,
Susan Macken
Library Director