


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment	<b>Coordination:</b> City Attorney’s Office; City Manager’s Budget Office; and Department of Public Works	<b>Dept. Approval:</b> /s/ Rick Bruneau
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b>  5/8/23

**SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDERS WITH MTSA, INC. AND ACCO ENGINEERED SYSTEMS, INC. FOR WATER TESTING/TREATMENT AND PREVENTATIVE/CORRECTIVE MAINTENANCE FOR HVAC SYSTEMS**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to exercise up to four one-year options to extend the terms of the purchase orders with MTSA, Inc. (Sunnyvale, CA) and ACCO Engineered Systems, Inc. (San José, CA) for water testing/treatment and preventative/corrective maintenance for HVAC systems with the last option ending on or about June 5, 2027, subject to the appropriation of funds.

**Desired Outcome:** Authorizing the City Manager to take this action provides the City with services for water testing/treatment and preventative/corrective maintenance for HVAC systems at City facilities.

**BASIS FOR RECOMMENDATION:**

The Department of Public Works is responsible for overseeing the service and maintenance of HVAC infrastructure at City facilities. Existing HVAC systems include multiple cooling towers with water-based systems. Services are required to minimize corrosion, scaling, and microbiological buildup in these systems. HVAC water testing and treatment, preventative maintenance, and corrective maintenance services are critical for operations at various City sites including police facilities, fire stations, and library branches. These services are essential to maintain cooling towers, avoid HVAC system down time, and to mitigate service impacts for the community and City staff.

In April 2022, a competitive Request for Bids was released by the Finance Department to procure these services. Three responsive bids were received, and no protests were received. MTSA, Inc. qualified for both the City’s local and small business preference. ACCO Engineered Systems, Inc. qualified for the City’s local business preference. Staff awarded to both MTSA, Inc. and ACCO Engineered Systems, Inc. as the lowest priced, responsive, and responsible bidders pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310B(2) under the City Manager’s authority. Purchase orders were executed in the amount of \$320,000 for the period of June 6, 2022 to June 5, 2023. The projected amount for the option period of June 6, 2023 to June 5, 2024, is \$320,000; future options will be subject to appropriation. Approval of this recommendation will ensure the City continues to receive these essential services with minimal impact to operations.

**Commission Recommendation/Input:** There is no commission recommendation or input associated with this action.

**COST AND FUNDING SOURCE:**

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Recommendation	2022-2023 Operating Budget Page	Last Budget Action (Date, Ord. No)
001	0572	Non-Personal / Equipment	\$18,551,917	\$320,000	VIII - 335	02/14/2023, 30883

**FOR QUESTIONS CONTACT:** Albie Udom, Deputy Director of Finance – Purchasing & Risk Management at [Albie.Udom@sanjoseca.gov](mailto:Albie.Udom@sanjoseca.gov).