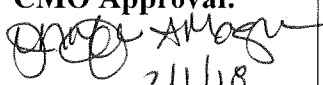


**CITY COUNCIL ACTION REQUEST**

<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> Department of Public Works, Office of Equality Assurance, City Attorney's Office, City Manager's Budget Office	<b>Dept. Approval:</b> /s/ Julia H. Cooper
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b>  2/1/18

**SUBJECT: ACTIONS RELATED TO PURCHASE ORDERS FOR PREVENTATIVE MAINTENANCE AND REPAIR SERVICES FOR HEATING, VENTILATION, AND AIR CONDITIONING SYSTEMS (HVAC)**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to:

1. Execute Purchase Orders with Accel Air Systems, Inc. (Santa Clara, CA), Kinetics Mechanical Service (Livermore, CA), and Prime Mechanical (Livermore, CA) for preventative maintenance and repair services for HVAC systems, for an initial twelve-month period, starting on or about February 13, 2018 and ending on or about February 12, 2019, for a total aggregate amount not-to-exceed \$750,000.
2. Approve a contingency of \$75,000 in the event actual service needs exceed estimates.
3. Execute up to four additional one-year options to extend the term of the Purchase Orders, with the last option year ending on or about February 12, 2024, subject to the annual appropriation of funds.

**Desired Outcome:** Ensure HVAC systems located at various City locations are in optimal working order.

**BASIS FOR RECOMMENDATION:**

The Public Works Department requires preventative maintenance and repair services for its HVAC systems at various facilities located throughout the City. These services are required to keep the equipment functioning properly to ensure that temperatures are maintained within optimal ranges.

A competitive Request for Bid (RFB) was facilitated to procure preventative maintenance and repair services for HVAC systems. Six bids were received. Staff recommends award to Accel Air Systems, Inc., as the primary awardee and lowest bidder; Kinetics Mechanical Service as the secondary awardee and the second lowest bidder; and Prime Mechanical as the third awardee and the third lowest bidder, pursuant to the formal bidding procedures of the San José Municipal Code, Section 4.12.310B.

Commission Recommendation: No commission recommendation or input is associated with this action.

Office of Equality Assurance: Living Wage or Prevailing Wage, whichever is higher, is applicable to work under this purchase order.

This Council item is consistent with the City's 2017-2018 Adopted Operating Budget Service Delivery Framework to effectively develop, manage and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects.



**COST AND FUNDING SOURCE:**

Fund #	Appn #	Appn. Name*	Total Appn	Amt. for Recommendation	2017-2018 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No)
001	0572	NP/EQUIP – PUBLIC WORKS	\$12,245,152	\$750,000	Pg. 825	06/20/17, Ord. 29962

**FOR QUESTIONS CONTACT:** Mark Giovannetti, Deputy Director, Finance at 408-535-7052

