



Cover Memorandum/Staff Report

File #: 26-0405

Agenda Date: 4/7/2026

Item #: 6.J.4.

TO: Mayor and Commissioners
FROM: Missie Barletto, Public Works Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: April 7, 2026

APPROVAL OF RESOLUTION NO. 15-26 TO AWARD AN AGREEMENT WITH SIEMENS INDUSTRY, INC. HVAC SYSTEMS WITH RELATED PRODUCTS AND SERVICE UTILIZING SOURCEWELL RFP NO. 121024 IN A SIX (6) YEAR AGREEMENT AMOUNT OF \$480,000.00 (\$80,000.00 YEARLY)

Recommended Action:

Motion to approve of Resolution No. 15-26 to award an agreement with for Siemens Industry, Inc. for Facility Security Systems, Equipment, and Software with Related Services utilizing Sourcewell RFP No. 080824 a six (6) year agreement amount of \$560,000.00 (\$80,000) yearly; authorizing the City Manager to execute any amendments and/or renewals thereto and take any and all actions necessary to effectuate the intent of this resolution; providing an effective date; and for other purposes.

Background:

Sourcewell, a State of Minnesota local government agency and service cooperative that offers cooperative procurement solutions to government entities, awarded Contract No. 080824-SIE for HVAC systems with related products and services to Siemens Industry, Inc. pursuant to RFP No. 080824. The agreement is effective from May 1, 2025, and is valid through November 1, 2028, with an option for three (3) additional one-year extensions.

The Building Maintenance Division of the Public Works Department is responsible for ensuring that all facility assets are maintained in a safe, clean, reliable, and fiscally responsible manner. Siemens Industry, Inc. will be primarily utilized for the HVAC and control systems located within the police department due to the proprietary nature of these systems. Staff is requesting approval of the resolution and agreement to facilitate these services. The agreement value is as follows:

Agreement Value		
Initial Term	Upon execution - November 1, 2028	\$240,000.00
Renewal Term 1	November 2, 2028 - November 1, 2029	\$80,000.00
Renewal Term 2	November 2, 2029 - November 1, 2030	\$80,000.00
Final Renewal	November 2, 2030 - November 1, 2031	\$80,000.00

TOTAL	\$480,000.00
-------	--------------

The City, at its sole discretion reserves the right to terminate this agreement with or without cause immediately upon providing written notice to the vendor. Upon receipt of such notice, the vendor shall not incur any additional costs under the Agreement. The City shall be liable only for the reasonable costs incurred by the vendor prior to the date of the notice of termination. The City shall be the sole judge of "reasonable costs."

This motion is in accordance with the Code of Ordinances Chapter 36, Commission Approval Required and Purchasing Policies, Accessing Contracts from Other Government Agencies and Not-for-Profit Organizations.

Attachments:

1. Resolution No. 15-26
2. Agreement P2026-015
3. Exhibit A to Agreement - Price Sheet
4. Legal Review Checklist
5. Sourcewell Agreement No. 080824-SIE
6. Sourcewell RFP No. 080824

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from GL account 001-41-350-519.46-15 (Repair and Maintenance Service/Equipment Maintenance).

Timing of Request:

N/A