



Cover Memorandum/Staff Report

File #: 24-193

Agenda Date: 2/6/2024

Item #: 6.K.

TO: Mayor and Commissioners
THROUGH: Terrence R. Moore, ICMA-CM
FROM: Missie Barletto, Public Works Director
DATE: February 6, 2024

APPROVAL OF ADDITIONAL SPENDING ON AGREEMENT P2023-026 WITH TRANE U.S. INC. FOR HVAC PRODUCTS, INSTALLATION, LABOR-BASED SOLUTIONS, AND RELATED PRODUCTS AND SERVICES IN THE AMOUNT OF \$94,660, FOR A REVISED CONTRACT TOTAL OF \$2,542,993.20

Recommended Action:

Motion to approve additional spending on Agreement P2023-026 with Trane U.S. INC. for HVAC Products, Installation, Labor-based Solutions, and Related Products and Services in the amount of \$94,660, for a revised contract total of \$2,542,993.20.

Background:

On April 4, 2023, Commission approved the use of the Racine County, Wisconsin contract through U.S. Communities Government Purchasing Alliance. The awarded term was a five-year contract to Trane U.S. Inc. (Trane), for HVAC products, installation, labor-based solutions, and related products and services effective September 1, 2022, through August 31, 2027, with one (1) five-year option for renewal pursuant to Contract No. 3341. The City of Delray Beach is currently registered as a Participating Public Agency with OMNIA Partners.

In September of 2023, the 30-ton AC unit in the Development Services Department began to malfunction, rendering it inoperable. Replacement parts were ordered, however lead times caused a delay in repairs. Staff then utilized funding available from P2023-026 to acquire temporary AC units until the 30-ton unit was repaired. The total cost for the use of temporary units was \$38,519.

The Swinton Operations Complex (SOC) control system for the HVAC has become obsolete and requires replacement. Replacement includes upgrading the control system and associated sensors for the Variable Air Volume (VAV) boxes. The cost for replacement is \$51,141 with a contingency allowance of \$5,000, for an estimated total of \$56,141.

Staff is requesting approval to replenish contract funds in the amount of \$38,519 for the temporary AC units as well as additional spending in the amount of \$56,141 for the SOC HVAC control system replacement, for a total request of \$94,660.

The revised contract value is as follows:

Revised Contract Value		
Initial Term (4.5 years)	April 4, 2023 - August 31, 2027	\$1,148,333.20
Temporary Rentals	FY24 one-time purchase	\$38,519.00
SOC Control System Replacement	FY24 one-time purchase	\$56,141.00
Renewal Term 1 (5 years)	September 1, 2027- August 31, 2032	\$1,300,000.00
Total		\$2,542,993.20

Attachments

- 1. Trane Quote
- 2. Agreement P2023-026
- 3. Resolution No. 69-23
- 4. Legal Review Checklist

This motion is in accordance with the City Code of Ordinances, Section 36 and City Policies and Procedures, Change Orders, and Amendments.

City Attorney Review:

N/A

Funding Source/Financial Impact:

Funding is available for the SOC HVAC control system replacement from 001-41-350-519.64.90 (Machinery & Equipment Other Machinery / Equipment).

Timing of Request:

Approval of this increase is time sensitive to initiate replacement of the SOC HVAC control system.