



Request for Council Action

Originator Purchasing	Item HVAC Services Contract - Approve Extension
Agenda Section Consent Business	Date 3/16/2015

Description

Council is requested to approve extension of the contract with Legacy Companies to provide HVAC maintenance and repairs as needed at 6 Fire Stations, 28 Park Buildings, and 9 City Buildings. The current 2-year contract expires on June 30, 2015 and may be extended for an additional 2-year term.

Under the terms of the contract, the Contractor may request an adjustment in the contract hourly rates should they be able to document an increase in their direct costs to provide the required services. Legacy Companies has requested an adjustment in the contract labor rates due to union wage scale increases.

	<u>20013/15 Rates</u>	<u>2015/17 Rates</u>	<u>% Increase</u>
Regular time Labor	\$ 99.90/hr	\$109.90/hr	10%
Overtime Service Labor	\$149.50/hr	\$158.00/hr	5.7%

Legacy Companies has provided prompt, quality service to the City throughout the initial term of the contract. The requested increases are reasonable and comparable with current labor rates.

Funding for these services is budgeted annually in the Facilities Maintenance Budgets.

Expenditures for these services during the initial contract period to-date are approximately \$122,000. Staff is recommending an increase to the not-to-exceed contract amount from \$136,000.00 to \$282,000.00 to cover the additional two years of expenditures.

Requested Action

Approve extension of the contract with Legacy Companies to provide HVAC maintenance and repair services for an additional 2-year term through June 30, 2017 at the increased contract labor rates requested and increasing the not to exceed contract amount to \$282,000.00.

Attachments: