



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** February 20, 2024  
**DEPARTMENT:** PUBLIC WORKS  
**FROM:** DAVID JACOBS, DIRECTOR  
**BY:** SEAN SCHMIDT, FACILITIES MANAGER  
**TITLE:** HVAC MAINTENANCE SERVICE AGREEMENT

### **RECOMMENDED MOTION:**

A motion to adopt a resolution authorizing the Interim City Manager to execute Amendment No. 1 with Environmental Systems Inc. for HVAC Maintenance Services to modify the scope of services to add 65 West Alisal (Permit Center) for quarterly service and increase the annual rate of compensation by \$16,800 for a total not to exceed \$70,470.

### **RECOMMENDATION:**

It is recommended that the City Council approve Amendment No.1 to the to Environmental Systems Inc HVAC service agreement. Amendment to the contract is for additional work that will be completed by the end of the contract term and allow quarterly service to be completed at the Permit Center. By increasing the annual rate by Sixteen Thousand, Eight Hundred Dollars (\$16,800) the amendment total will be Seventy Thousand Four Hundred Seventy Dollars. (\$70,470)

### **EXECUTIVE SUMMARY:**

To maintain the City's infrastructure, the Facilities department is asking for more resources. The City entered into an agreement with Environmental Systems Inc. on April 4, 2023. The not-to-exceed amount of the agreement was, Fifty-Three Thousand Nine Hundred Fifty Dollars (\$53,950) annually, plus an hourly rate for emergency call backs and was signed by the Council / City Manager. This amendment is to add 65 West Alisal (Permit Center) and increase compensation by Sixteen Thousand, Eight Hundred Dollars (\$16,800) for a total of Seventy Thousand Four Hundred Seventy (\$70,470). The amendment is requested to ensure services may continue and that the City infrastructure is managed correctly and safely.

### **BACKGROUND:**

On October 18, 2022, a Request for Proposals ("RFP") for City HVAC Services was published via Planet Bids, an online bidding tool. A total of 13 vendors were notified, subsequently 2 registered as prospective bidders. A pre-proposal conference, attended by two prospective bidders,

was held on October 24. Proposals were due on November 7, 2022, at which time two vendors submitted proposals for evaluation.

An evaluation committee, comprised of four cross-departmental City staff members, was formed. The committee conducted a thorough evaluation of the proposals, based on the criteria set forth in the RFP. Respondents' prices were then evaluated using a points method and a final score assigned to each respondent per, facility group. The Points Method allowed the proposal with the lowest cost receive the maximum points, on all 4 categories scored. Local vendors were allotted 10%-point increase as identified in the RFP.

The City facilities requiring HVAC services consist of a mix of, recreation centers, & office/public buildings facilities. These include the following:

<b>GROUP/CATEGORY</b>	<b>FACILITY</b>	<b>LOCATION</b>
<i>Facilities</i>	City Hall and Rotunda	200 Lincoln Avenue, 93901
<i>Rec Centers</i>	Sherwood Hall	940 N Main Street, 93906
	Aquatic Center	1 E Bernal Dr.
<i>Community Development</i>	Permit Center	65 West Alisal

#### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

#### STRATEGIC PLAN INITIATIVE:

This item relates to the City Council's Strategic Plan to have a Well-Planned City and Excellent Infrastructure. It's the City's goal to safely and efficiently manage the infrastructure with which we have been entrusted.

#### DEPARTMENTAL COORDINATION:

The Maintenance Services division within Public Works Department worked hand in hand in the formulation of the amendment and throughout the process. Rec Park, and Facilities Staff made up the evaluation submittal review process. Legal staff will review the amendments as to form and legality, while Finance will assist Public Works in the issuance of a purchase order and monitoring of progress payments.

**FISCAL AND SUSTAINABILITY IMPACT:**

The contract with Environmental Systems Inc. is for \$70,470 per year which will be funded through the departments' operation budgets or the respective cost centers. A breakdown by General Ledger is listed below.

Available budget and proposed costs are outlined in the table below.

<b>FACILITY</b>	<b>GENERAL LEDGER BUDGET</b>	<b>PROPOSED ANNUAL COST</b>	<b>AVAILABLE BUDGET (THRU JUNE 2024)</b>	<b>PROPOSED COST (DEC THRU JUNE 2024)</b>
City Hall and Rotunda	1000.50.5232-63.4500	\$20,220	\$20,220	\$20,500
Sherwood Hall	1200.55.6243-63.4500	\$33,450	\$20,220	\$33,450
Permit Center	1000.80.8003-63.6010	\$16,800	19428	\$16,800
<b>Total</b>		\$70,470	\$59,868	\$70,750

**ATTACHMENTS:**

Resolution  
Amendment No. 1  
Agreement for Services