

# City of Hesperia

## STAFF REPORT



**DATE:** October 15, 2019

**TO:** Mayor and Council Members and Chair and Board Members, Hesperia Water District

**FROM:** Nils Bentsen, City Manager

**BY:** Mike Blay, Assistant City Manager  
Scott Saude, Facility Supervisor

**SUBJECT:** Heating Ventilation and Air Conditioning (HVAC) Services Contract

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### RECOMMENDED ACTION

It is recommended that the Mayor and Council Members and Chair and Board Members of the Hesperia Water District authorize the City Manager to execute a modification to an existing Professional Services Agreement 2018-19-024 with MDM West Inc. in the not-to-exceed amount of \$89,500 and extend the agreement expiration date to June 30, 2021.

### BACKGROUND

Over the past several months the Facility Maintenance Department has been struggling to maintain climate control in our facilities during the hot summer months. Now that the temperatures are cooling off it is time to replace ageing and failing equipment. Within the approved Fiscal Year 2019-20 budget, City Council allocated funds for the purpose of contracting Heating Ventilation and Air Conditioning (HVAC) services. In previous years we have expended on average \$30K annually on HVAC equipment maintenance and repair work utilizing sub-contractors and in house staff. This agreement needs to be increased to \$89,500 in order to conduct major repairs to HVAC system at City Hall, Hesperia Sheriff's Station, County Library and provide council authority for the 2020-21 fiscal year contract extension.

### ISSUES/ANALYSIS

A Request for Bids (RFB) for HVAC services was released on June 01, 2017 for services in Fiscal Year 2017-18. WCM Inc. was issued a service contract on July 01, 2017 with an expiration date of June 30, 2020. WCM Inc. could not perform the required services nor complete the agreement due to health issues affecting the owner operator. As a result of WCM's non-performance the remaining bidders were asked if they would hold pricing as submitted on the original RFB. MDM West Inc. was selected as the vendor willing to hold pricing.

A second Professional Services Agreement 2018-19-024 was issued to MDM West Inc. on July 17, 2018 with an expiration date of January 01, 2020 in the amount of \$29,500. The current amount of the agreement is insufficient to make the necessary repair to our current HVAC systems. An additional \$60,000 is required to make significant repairs to HVAC units -1 and -2 at City Hall, Air Conditioning units -1 and -4 at the County Library, and repair and or replace hot water heating circulation pumps at the Hesperia Sheriff's Station. All of the repairs listed above are needed to provide basic climate control at each of the facilities.

**FISCAL IMPACT**

Current funding is allocated in account 100-29-310-3110-7500 and 700-29-400-4080-7500 for Preventive Maintenance and 100-29-310-3110-8070 and 700-29-400-4080-8070 for repair work.

**ALTERNATIVE(S)**

1. Provide alternative direction to staff.

**ATTACHMENT(S)**

None