

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 05/26/09		Item Number: <u>C-6</u>	
AGENDA ITEM: 1) Wavier of Formal Competitive Bidding Procedures; and 2) Approval of an Agreement with Trane, Inc. for the Purchase of an Air-cooled Liquid Chiller to Provide Heating and Cooling to the Police Facility.			
Contact Person/Dept.: Eric Mirzaian Public Works-Maintenance Operations		Phone Number: (310) 253-6410	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Public Notification: Master E-Mail Notification List (05/20/09); Trane, Inc. 5/19/09			
Department Approval: Charles D. Herbertson (05/15/09)		City Attorney Approval: Carol Schwab (by H. Baker) (05/19/09)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (05/19/09)		City Manager Approval: Jerry B. Fulwood (05/20/09)	
<u>RECOMMENDATION:</u> Staff recommends the City Council 1) waive the formal competitive bidding procedures; and 2) approve an Agreement with Trane, Inc. for the purchase of an air-cooled liquid chiller in the amount of \$67,274.69. <u>BACKGROUND:</u> From 1996-2009, heating and cooling for the Police Facility was serviced by co-generation units that were installed by Honeywell, Inc. Due to increased maintenance issues and South Coast Air Quality Management District (AQMD) required emission standards, staff determined it was in the City's best interest to decommission the existing co-generation units and replace them with a more energy efficient heating, ventilation and air conditioning (HVAC) system. Upon decommissioning of the co-generation units, a chiller was rented on a short-term basis to provide heating and cooling to the facility while Public Works staff solicited proposals from various vendors for a more efficient HVAC system to replace the co-generation units. Based on quotes and proposals received, staff determined that adequate funding is currently not available to proceed with such a project. The most feasible option at this time will be to purchase a new chiller rather than continuing to rent a chiller to provide heating and cooling to the facility until funding can be secured at a later date through the budget process for the installation of an entirely new HVAC system. Also, the City is currently assessing the adequacy of the existing Police Station. Staff believes that it is prudent to complete this study			

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before making any major investments to rehabilitate the current building. The installation of this new chiller will be performed by Public Works staff to reduce the financial impact to the City.

DISCUSSION:

Public Works Staff received the following three quotes for the air-cooled liquid chiller:

Trane, Inc.....	\$67,274.69 (includes sales tax)
Carrier Corporation.....	\$76,167.00 (includes sales tax)
DMG Corporation.....	\$95,947.00 (does not include sales tax)

Staff is recommending this award be made without a formal bid process in accordance with Culver City Municipal Code Sections 3.07.065.D, since the new chiller will be a component of the existing heating, ventilation and air conditioning system for the building and is necessary to repair the existing system and return it to proper operation.

FISCAL ANALYSIS:

Sufficient funding is available in the Capital Improvement Project P-132, Building Repairs account (42000132), to cover the requested purchase of an air-cooled liquid chiller at a cost of \$67,274.69.

ATTACHMENTS:

1. Quote from Trane, Inc.

MOTION:

That the City Council:

1. Waive the formal competitive bidding procedures; and
2. Approve an agreement with Trane, Inc. in the amount of \$67,274.69; and,
3. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.