

Information for Town Council Meeting on December 11, 2018

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Jane Le Clainche, CPA, Director of Finance

FROM: Dean Mealy, II CPPO, Town Purchasing Manager

RE: Resolution Approving Award of Contract for HVAC, Maintenance Services, Commercial Refrigeration, Freezers, Replacement Units and Related Parts, ITB 2018-54 to John Cassidy - **Resolution No. 192-2018**

DATE: 16 November 2018

STAFF RECOMMENDATION

Staff recommends the approval of Resolution No. 192-2018 awarding Invitation to Bid 2018-54 to John Cassidy for HVAC, Maintenance Services, Commercial Refrigeration, Freezers, Ice Machines, Replacement Units and Related Parts in the amount of \$121,225 for FY19, and establishing a five (5) year contract budget of \$675,165, contingent upon funding of future years.

SUMMARY EXPLANATION/BACKGROUND

Public Works had previously utilized three contracts, one for HVAC/Maintenance Service, one for Commercial Refrigeration and another for Ice Machines. It was determined that it be cost effective to merge the three contracts. The current contract for HVAC was issued in 2013 and a new solicitation was required to be issued. Commercial Refrigeration and Ice Machines were addressed by annual purchase orders which did not exceed \$3,500.

Purchasing issued Invitation to Bid No. 2018-54 (ITB) for HVAC, Commercial Refrigeration, Freezers, Ice Machines, Replacement Units and Related Parts.

Six firms responded to the solicitation. John Cassidy provided the most responsive, responsible pricing to the solicitation. The solicitation was broadcast to 1,026 vendors through Demand Star and 350 through Public Purchase.

After review of all submittals, Public Works recommended award to John Cassidy to the Purchasing Division. As part of the CROTO recommendation, HVAC preventative maintenance services were adjusted from twelve times annually to six times annually. The change in the number of services is reflected in a proposed cost savings of \$20,340 within the new bid document (bid tabulation vs. alternative price bid tabulation).

The solicitation sought cost plus percentage for materials, supplies and equipment from list price.

The previous incumbent for the HVAC was John Cassidy, Dolling's Appliance for Refrigeration and Mr. Ice for Ice Machines.

FISCAL IMPACT/FUNDING SOURCE

The fiscal impact for the Contract for FY19 will be the total award of \$121,225. The award is broken down as follows:

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|--|----------|
| • AC Maintenance | \$32,000 |
| • AC Replacement | \$27,000 |
| • AC Repairs | \$57,425 |
| • Ice Maintenance/Repairs | \$ 2,400 |
| • Refrig/Freezer Maintenance and Repairs | \$ 2,400 |

Repairs and replacement are noted on the bid document as a Percent Discount from Manufacturer's List Price. Purchasing and Public Works would secure the pricing for replacement units verifying the catalog price.

The total annual award of the contract is established at \$121,225. The projected five year award is \$675,165 contingent upon funding by the approved budgets.

USER DEPARTMENT CONCURRENCE

Public Works is in full concurrence with this recommendation.

DUE DILIGENCE

Due Diligence was conducted to determine vendor responsibility, including corporate status and that there are no performance and compliance issues. The review included conducting market research.

TOWN ATTORNEY REVIEW

This format has been utilized by the Town in previous recommendations and was approved by the Town Attorney.

CC: Jay Boodheshwar, Deputy Town Manager
H. Paul Brazil, P.E., Director of Public Works