



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2008-0064

TO: Mayor and City Council Members
FROM: Roger Rousse, Director of Public Service, 841.2497
DATE: January 28, 2008
SUBJECT: Heating and Air/Conditioning Maintenance Services

REQUEST:

City Council is requested to authorize the a blanket purchase order to Johnson Controls, Inc., for the purchase of heating and air conditioning maintenance services for City Hall, Fire Station #1, DPS Garage and the Oakland County Sheriff's Sub-station, in an amount not-to-exceed \$187,130 for the renewal term to expire 4/10/2010.

REASON FOR PURCHASE:

The City of Rochester Hills solicited proposals from professional heating/air conditioning (HVAC) contracting companies to perform routine and on-call maintenance and repair services at City Hall, Fire Station #1, DPS Garage and the Oakland County Sheriff's Office Substation. Johnson Controls, Inc. was awarded the contract as a result of an advertised bid for HVAC maintenance services. The bid covered a period of 4 years and this purchase order request is for the last 2 years of the award. Johnson Controls, Inc. performs various heating and air conditioning maintenance, repair and new installation service work; seasonal inspections of heating and AC equipment to insure proper operation; and other related work, as requested by the City, that requires the expertise of a licensed professional heating and cooling contractor.

HVAC equipment at City Hall, Oakland County Sheriff's Office Substation, Fire Station #1 and the old DPS Garage will require additional service over the term of the agreement as the equipment is aging or at the end of its useful lifespan. The new DPS Garage HVAC equipment will be under warranty for 2008 but will have to be added to the agreement in 2009. Cost for the Garage will be obtained in late 2008 and evaluated to determine whether an increase to the blanket purchase order will be necessary or not.

PROCESS:

Vendor Name and Address:

Johnson Controls, Inc.
2875 High Meadow Circle
Auburn Hills, MI 48326

Reason for Selection:

Best value and lowest cost.

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding for HVAC Maintenance Services will be taken from the Facilities Division for multiple years. A Budget Amendment may become necessary, depending upon the severity of unanticipated repairs and the addition of the new DPS Garage to the maintenance agreement.

Note: The blanket purchase order term is 28-months over three (3) fiscal years (January 2008 through April 2010.)

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
631 - Facilities Fund (2008)	929000	Maintenance Equipment	82,030	82,030	0
631 - Facilities Fund (2009)	929000	Maintenance Equipment	Proposed 78,570		
631 - Facilities Fund (2010)	929000	Maintenance Equipment	Proposed 26,530		

RECOMMENDATION:

It is recommended that the Rochester Hills City Council authorize the blanket purchase order for HVAC Maintenance to Johnson Controls, Inc., Auburn Hills, Michigan in the not-to-exceed amount of \$187,130.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		