



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2022-0366 Version 2

TO: Mayor and City Council Members

FROM: Mike Viazanko, Director Building/Facilities/Ordinance

DATE: April 17, 2023

SUBJECT: Increase to Blanket Purchase Order for HVAC Preventative Maintenance & Repair Services

REQUEST:

City Council is requested to authorize an increase to the blanket purchase order for HVAC Preventative Maintenance & Repair Services in the amount of \$78,000.00 for a new not-to-exceed amount of \$148,000.00 through September 30, 2023 to K & S Ventures, Inc. of Rochester Hills, Michigan.

REASON FOR PURCHASE:

The City solicited on the MITN for sealed proposals for HVAC Preventative Maintenance & Repair Services for a licensed firm to perform routine maintenance and repairs on the heating, ventilation and air conditioning equipment (HVAC) at City Hall, DPS, OCSO, and Fire Stations buildings. An evaluation committee reviewed the proposals received and selected K & S Ventures, Inc. as providing the best value for the City based on their excess capacity, ability to do the work, low price.

City Council approved the current contract last August for \$70,000.00. However, during the past 7 months, there were unexpected repairs including of the energy recovery ventilator, oil burner and makeup air handler actuators at DPS; repairs of the chiller, replacement of reeds and a hydronic unit at City Hall along with repairs to the energy management system for the boiler and the air handler unit at OCSO that impacted the blanket. These projects have resulted in additional funding needed in order to maintain the preventative maintenance program and other repairs needed until the contract expires September 30, 2023.

PROCESS:

Vendor Name and Address:

K & S Ventures, Inc.
2925 Waterview Drive
Rochester Hills, MI 48309

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order/Contract

BUDGET:

Funding is included in the FY 2023 Adopted Budget.

If approved by City Council, the \$88,000 needed will come out of other projects within the 631.929000 – Repairs & Maintenance account. No funding will be required from Retained Earnings.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Facilities	631.807000	Contractual Services	\$24,000	\$24,000	\$0
Facilities	631.929000	Repairs & Maintenance	\$36,000	\$124,000	(\$88,000)
		Total	\$70,000	\$148,000	(\$88,000)

RECOMMENDATION:

It is recommended that the Rochester Hills City Council authorize an increase to the blanket purchase order/contract to for HVAC Preventative Maintenance & Repair Services in the amount of \$78,000.00 for a new not-to-exceed amount of \$148,000.00 through September 30, 2023.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Chief Financial Officer		
Purchasing Process: Procurement Manager		
Mayor		
Deputy Clerk		

Contract Reviewed by City Attorney Yes N/A