

CITY OF MARYSVILLE AGENDA BILL

EXECUTIVE SUMMARY FOR ACTION

CITY COUNCIL MEETING DATE: November 23, 2020

AGENDA ITEM:																			
HVAC Maintenance & Repair Services Contract – Supplemental Agreement No. 2																			
PREPARED BY:	DIRECTOR APPROVAL:																		
JR Myers, Solid Waste/Support Services Supervisor	<i>Wc Furkn</i>																		
DEPARTMENT:																			
Public Works, Facilities																			
ATTACHMENTS:																			
HVAC Maintenance & Repair Services Contract – Supplemental Agreement No. 2																			
BUDGET CODE:	AMOUNT:																		
Various	\$35,000.00																		
SUMMARY:																			
<p>On January 2, 2019, the City solicited bids for the maintenance and repair of the City’s facilities HVAC systems and components. The City received two responsive bid proposals with D.K. Systems providing the lowest bid for requested services. The contract is for one year with the option to extend for three additional one-year terms.</p> <p>The contract amount approved for the first year was \$75,000. Supplemental Agreement No. 1, which was the first, one-year extension of the contract, increased the total not to exceed budget to \$130,000.00. Due to unplanned and necessary repairs to HVAC systems at multiple City facilities, we will expend the money allocated in Supplemental Agreement No. 1 prior to the one-year extension date. Supplemental Agreement No. 2 is requesting additional funds of \$35,000.00 to cover the costs of regular maintenance and emergency repairs through May 2021. Below is a list of some of the high dollar repairs.</p>																			
<table border="1"> <thead> <tr> <th>Date</th> <th>Description</th> <th>Cost</th> </tr> </thead> <tbody> <tr> <td>4/28/20</td> <td>Waste Water Treatment Unit Replacement</td> <td>\$9,570.96</td> </tr> <tr> <td>5/05/20</td> <td>Cleaning Jail Filters</td> <td>\$1,654.04</td> </tr> <tr> <td>7/14/20</td> <td>Stilly Water Filtration – Motor Replacement</td> <td>\$3,002.03</td> </tr> <tr> <td>7/31/20</td> <td>Ken Baxter – Compressor Replacement</td> <td>\$2,820.91</td> </tr> <tr> <td>9/14/20</td> <td>Public Works Admin – PTAC Unit Replacement</td> <td>\$2,932.85</td> </tr> </tbody> </table>		Date	Description	Cost	4/28/20	Waste Water Treatment Unit Replacement	\$9,570.96	5/05/20	Cleaning Jail Filters	\$1,654.04	7/14/20	Stilly Water Filtration – Motor Replacement	\$3,002.03	7/31/20	Ken Baxter – Compressor Replacement	\$2,820.91	9/14/20	Public Works Admin – PTAC Unit Replacement	\$2,932.85
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<p>The not to exceed total contract sum increases to \$165,000.00.</p>																			

RECOMMENDED ACTION:

Staff recommends that Council authorize the Mayor to sign and execute the HVAC Maintenance & Repair Services contract Supplemental Agreement No.2 between the City of Marysville and D.K. Systems for a new total contract price of \$165,000.00.

RECOMMENDED MOTION:

I move to authorize the Mayor to sign and execute Supplemental Agreement No. 2 with D.K. Systems for the HVAC Maintenance & Repair Contract for a new contract total in the amount of \$165,000.00.

**SUPPLEMENTAL AGREEMENT NO. 2 TO
SMALL PUBLIC WORKS CONTRACT BETWEEN
CITY OF MARYSVILLE
AND D.K. SYSTEMS INC.**

THIS SUPPLEMENTAL AGREEMENT NO. 2 (“Supplemental Agreement No. 2”) is made and entered into as of the date of the last signature below, by and between the City of Marysville, a Washington State municipal corporation (“City”) and D.K. Systems, Inc., a Washington Corporation (“Contractor”).

WHEREAS, the parties hereto have previously entered into an agreement for HVAC Maintenance and Repair Services (the “Original Contract”), said Original Contract being dated March 26, 2019; and

WHEREAS, the parties extended the term and provided additional compensation of the Original Contract in a supplemental agreement (the “Supplemental Agreement No. 1”), said Supplemental Agreement No. 1 being dated May 12, 2020; and

WHEREAS, unexpected non-routine costs associated with critical repairs to the HVAC systems of City facilities will nearly exhaust the allowed compensation of the Original Contract and Supplemental Agreement No. 1; and

WHEREAS, both parties desire to supplement the Original Contract to provide additional compensation;

NOW THEREFORE, in consideration of the terms, conditions, covenants, and performances contained herein or attached and incorporated, and made a part hereof, the parties hereto agree as follows:

1. Section 4.a. of the Original Contract, “Total Contract Sum for the Project”, is amended and shall read as follows: “The City shall pay the Contractor for satisfactory completion of the Project, a Total Contract Sum not to exceed **ONE HUNDRED SIXTY FIVE THOUSAND DOLLARS (\$165,000.00)** including all applicable Washington State Sales Tax.”

The total compensation payable to the Contract is summarized as follows:

Original Agreement:	\$75,000.00
Supplemental Agreement No. 1:	\$55,000.00
Supplemental Agreement No. 2:	<u>\$35,000.00</u>
Grand Total:	<u>\$165,000.00</u>

2. Each and every provision of the Original Contract for Small Public Works dated March 26, 2019, shall remain in full force and effect, except as modified herein.

DATED this _____ day of _____, 2020.

CITY OF MARYSVILLE

By _____
Jon Nehring, Mayor

DATED this 2 day of November, 2020.

D.K. SYSTEMS, INC.

By 
Darron Drake
Its: President

ATTEST/AUTHENTICATED:

Tina Brock, Deputy City Clerk

Approved as to form:

Jon Walker, City Attorney