

**CITY OF MARYSVILLE AGENDA BILL**

**EXECUTIVE SUMMARY FOR ACTION**

**CITY COUNCIL MEETING DATE: March 22, 2021**

<b>AGENDA ITEM:</b>																				
HVAC Maintenance & Repair Services Contract – Supplemental Agreement No. 3																				
<b>PREPARED BY:</b>		<b>DIRECTOR APPROVAL:</b>																		
JR Myers, Solid Waste/Support Services Supervisor		<i>bc</i>																		
<b>DEPARTMENT:</b>																				
Public Works, Facilities																				
<b>ATTACHMENTS:</b>																				
HVAC Maintenance & Repair Services Contract – Supplemental Agreement No. 3																				
<b>BUDGET CODE:</b>		<b>AMOUNT:</b>																		
Various		\$17,000.00																		
<b>SUMMARY:</b>																				
<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>This will be the third Supplemental Agreement to the contract and the second one-year extension to the contract. Supplemental Agreement No. 3 is requesting \$17,000.00 additional funds and will extend the contract to April 2022.</p>																				
<table border="1"> <thead> <tr> <th>Description</th> <th>Increase</th> <th>NTE Amount</th> </tr> </thead> <tbody> <tr> <td>Original Contract</td> <td>\$75,000</td> <td></td> </tr> <tr> <td>Supplemental Agreement No. 1</td> <td>\$55,000</td> <td>\$130,000</td> </tr> <tr> <td>Supplemental Agreement No. 2</td> <td>\$35,000</td> <td>\$165,000</td> </tr> <tr> <td>Supplemental Agreement No. 3</td> <td>\$17,000</td> <td>\$182,000</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Description	Increase	NTE Amount	Original Contract	\$75,000		Supplemental Agreement No. 1	\$55,000	\$130,000	Supplemental Agreement No. 2	\$35,000	\$165,000	Supplemental Agreement No. 3	\$17,000	\$182,000			
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The not to exceed total contract sum increases to \$182,000.00.																				

<p><b>RECOMMENDED ACTION:</b> Staff recommends that Council authorize the Mayor to sign and execute the HVAC Maintenance &amp; Repair Services contract Supplemental Agreement No.3 between the City of Marysville and D.K. Systems for a new total contract price of \$182,000.00.</p> <p><b>RECOMMENDED MOTION:</b> I move to authorize the Mayor to sign and execute Supplemental Agreement No. 3 with D.K. Systems for the HVAC Maintenance &amp; Repair Contract for a new contract total in the amount of \$182,000.00.</p>
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**SUPPLEMENTAL AGREEMENT NO. 3 TO  
SMALL PUBLIC WORKS CONTRACT BETWEEN  
CITY OF MARYSVILLE  
AND D.K. SYSTEMS INC.**

**THIS SUPPLEMENTAL AGREEMENT NO. 3** (“Supplemental Agreement No. 3”) 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, the parties provided additional compensation of the Original Contract in a supplemental agreement (the “Supplemental Agreement No. 2”), said Supplemental Agreement No. 2 being dated December 1, 2020; and

WHEREAS, both parties desire to extend the term and provide additional compensation of the contract in a supplemental agreement,

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 2 of the Original Contract, “Term of Contract”, the parties agree to extend the term of the contract for an additional one (1) year. For the avoidance of doubt, this Supplemental Agreement No. 3 is the second one-year extension. The parties may extend the term of the Contract one more year upon executing a written supplemental agreement.

2. 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 EIGHTY TWO THOUSAND DOLLARS (\$182,000.00)** 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: \$35,000.00

Supplemental Agreement No. 3: \$17,000.00

Grand Total: \$182,000.00

3. 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 \_\_\_\_\_, 2021.

CITY OF MARYSVILLE

By \_\_\_\_\_  
Jon Nehring, Mayor

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

D.K. SYSTEMS, INC.

By \_\_\_\_\_  
Darron Drake  
Its: President

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Tina Brock, Deputy City Clerk

Approved as to form:

\_\_\_\_\_  
Jon Walker, City Attorney