



NEWPORT BEACH

City Council Staff Report

September 14, 2021
Agenda Item No. 15

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Civic Center Chiller Maintenance and Repair – Amendment No. 1 to
Maintenance and Repair agreement with Enviser Inc. (C-8674-1)

ABSTRACT:

Staff requests City Council approval to amend a Maintenance and Repair Services Agreement with Enviser Inc. for Civic Center Chiller Maintenance and Repair services. On March 23, 2021, the City Council approved the award of a three-year agreement with Enviser Inc. (Enviser) for recurring maintenance and on-call maintenance and repair services for the Civic Center's Heating, Ventilation and Air-Conditioning (HVAC) systems, with a total not-to-exceed (NTE) amount of \$150,000.

The proposed amendment will add technical support of the HVAC systems to the scope of work and increase the NTE amount by \$117,189, for a total NTE of \$267,189. These added services will replace the technical support services currently being provided by Climatec, LLC as their contract is about to expire and staff does not plan to renew it. The three-year term of the Enviser contract will remain the same, expiring March 31, 2024.

RECOMMENDATION:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve Amendment No. One to Maintenance and Repair Agreement with Enviser Inc. (C-8674-1) to add technical support of the HVAC systems to the scope of work and increase the NTE by \$117,189 for a total NTE amount of \$267,189; and
- c) Authorize the Mayor and City Clerk to execute the amendment.

DISCUSSION:

On March 23, 2021, the City Council awarded and approved a three-year agreement with Enviser for recurring maintenance and on-call repair services for the Civic Center’s HVAC systems, with a total NTE amount of \$150,000. The \$150,000 overall NTE amount provides for three years of fixed services, and on-call/as-needed maintenance/repair services, and 2% fixed Consumer Price Index (CPI) increases for the second and third years.

In addition to these maintenance and repair services, Public Works also has an agreement with Climatec, LLC (Climatec) to provide technical support for the Civic Center’s HVAC control/automation systems. This includes account management, control system and service review/adjustments/preventative maintenance, remote support, and software upgrades and maintenance for various Alerton (and some Dell) manufactured units. The Climatec agreement expires December 31, 2021; however, there is only enough NTE capacity remaining to provide coverage through September 2021. The current annual cost for these services is \$41,088.

To consolidate contracts and save costs, staff solicited a proposal from Enviser to provide the same services currently being provided by Climatec. The total two and a half-year cost to add these services to the existing Enviser agreement is \$57,189, which includes a 2% fixed CPI increase for the second and third years.

Year	Amount
1	\$22,513
2	\$22,964
3	\$11,711
Total:	\$57,188

Combining the control system services with the maintenance and repair services under one contractor will result in a 44% reduction in costs (approximately \$18,000 per year) and more efficient, direct supervision of both service components. Multiple visits were completed with Enviser as City of Newport Beach staff discussed these additional services, and inspected control devices and equipment that would be added to the scope of services of the original maintenance and repair agreement. It was noted that some of the equipment and controls have exceeded service life cycles and would be needing replacement in the near future. For this reason, staff would like to also add \$20,000 per year (\$60,000 in additional NTE) to cover any possible unforeseen on-call component replacements for both the control systems and the HVAC systems.

	Current Contract Terms	Proposed Amended Terms	Revised Contract Terms
Term Expiration	3/31/2024	No Change	3/31/2024
Routine Maintenance	\$85,623	No Change	\$85,623
On-Call Repairs	\$64,377	Add \$60,000	\$124,377
Technical Support	\$0	Add \$57,189	\$57,189
Total NTE	\$150,000	\$117,189	\$267,189

FISCAL IMPACT:

The adopted budget includes sufficient funding for this amendment. Services will be expensed to the Facility Maintenance and Repair account (0108041-851016) in the Public Works Department. Funding for future years will be included in the development of the proposed budgets.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Amendment No. 1 Maintenance and Repair Services Agreement with Enviser, Inc.