



AGENDA ITEM EXECUTIVE SUMMARY

Title: Recommendation to Waive the Formal Bid Procedure and Approve HVAC Preventative Maintenance and Inspection Contract with Service Mechanical

Presenter: AJ Reineking

Please check appropriate box:

<input type="checkbox"/>	Government Operations	<input checked="" type="checkbox"/>	Government Services 03.23.15
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	

Estimated Cost:	\$72,564	Budgeted:	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> X	<input type="checkbox"/> NO	<input type="checkbox"/>
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If NO, please explain how item will be funded:

Executive Summary:

Over the last 13 years, the City has developed a relationship with Service Mechanical to provide heating, venting, and cooling (HVAC) service for City facilities. In an effort to consolidate service and create value to the City, the staff moved to award Service Mechanical an agreement to serve all of our facilities in fiscal year 08/09.

Our first five years of utilizing Service Mechanical was a success. Building on this success, staff recommends continuing with Service Mechanical for another fiscal year. Service Mechanical has agreed to hold pricing for a sixth consecutive year.

Attachments: *(please list)*

Renewal Letter - Service Mechanical to provide HVAC service
Bid Waiver

Recommendation / Suggested Action *(briefly explain):*

Recommendation to waive the Formal Bid Procedure and award of Contract to Service Mechanical in an amount not to exceed \$72,564, pending approval of the Fiscal Year 15/16 budget.

For office use only:

Agenda Item Number: 6.c

REQUEST FOR WAIVING BID PROCEDURE

We request the City Council to waive the bid procedure and accept the quotation (requiring two-thirds City Council vote) submitted by:

Service Mechanical Industries
50 E. Commerce Drive, Suite 100
Schaumburg, IL 60173

For the purchase of: Preventive Maintenance and Inspection for the Building Environmental Systems.

At a cost not to exceed: \$ 72,564

Reason for the request to waive the bid procedure: This will be Service Mechanical's thirteenth year as a vendor with the City. The City has developed a solid working relationship with Service Mechanical and their service technicians. With the addition of the Public Works Facility along with all other City buildings we believe this plan would serve the City best and also help in assessing our current HVAC equipment and implementing a ten-year maintenance and replacement plan. Service Mechanical has also agreed to hold pricing for a sixth consecutive year.

Other Quotations Received: None

Date: 03/23/2015

Requested by: _____

Department Director: _____

Purchasing Manager: _____

Committee Chairman: _____

THIS REQUEST FORM MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING COMMITTEE APPROVAL FOR WAIVING OF THE BID PROCEDURE. REQUESTS FORWARDED DIRECTLY TO THE CITY COUNCIL (AND BYPASSING COMMITTEE) MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING CITY COUNCIL APPROVAL. SUCH REQUESTS ARE TO BE OF AN EMERGENCY NATURE WHERE TIME IS OF THE ESSENCE.

March 06, 2015

Mr. AJ Reineking
City of St. Charles
2 E. Main Street
St. Charles, IL 60174

Re: HVAC Preventive Maintenance Agreements for the following locations:

250 N. Riverside Ave.	1405 Prairie St.	228 N. Randall Rd.
200 Walnut Ave.	1000 Dunham Rd.	5N061 Rt. 25
1425 South Ave.	2900 N. 5th Ave.	650 Peck Rd.
215 E. Main St.	2529 Oak St.	454 S. 37th Ave
630 N. 12 th St.	15 N. First St.	2901 Campton Hills Rd.
300 N. Riverside Ave.	213 N. Riverside Ave.	2900 Production Dr.
2561 Dukane Dr.	1000 Illinois St.	200 Devereaux Way - Public Works
211 N. Riverside Ave.	2 E. Main St.	200 Devereaux Way - Waste Water
112 N. Riverside Ave.		200 Devereaux Way - Sludge Handling

Dear Mr. Reineking:

The Preventive Maintenance Agreements for the above referenced locations will automatically renew on **May 1, 2015**. We appreciate the opportunity to provide maintenance at these locations and we look forward to continuing to serve you. There will be **no increase** in the price of the Preventive Maintenance Agreements for the upcoming year. We will continue to provide you with quality service under the terms and conditions of your original agreements.

For your convenience, no further communication is required to keep these agreements in effect. Your next scheduled maintenances will be performed without interruption.

Please call our office at (847) 342-9100 if we may answer any questions or be of further assistance.

Sincerely,

Service Mechanical Industries

Erika Bartell
Administrative Assistant