



## Legislation Text

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**File #:** 22-399, **Version:** 1

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Adopt a Resolution Approving and Authorizing the City Manager to Execute Amendment No. 1 to the Installation Agreement Between the City of San Leandro and Climatec, LLC to Include Replacement of the HVAC System at the Senior Community Center for \$973,575

### **SUMMARY AND RECOMMENDATIONS**

Staff recommends the City Council adopt a resolution to approve and authorize the City Manager to execute Amendment No. 1 to the Installation Agreement with Climatec, LLC to include replacement of the Senior Community Center's HVAC system at a cost of \$973,575.

### **BACKGROUND**

On December 13, 2021, the City Council held a Public Hearing (pursuant to California Government Code Sections 4217.10 and 4217.18) to approve a new Installation Agreement (referred to as Phase 3) with Climatec, LLC for design and construction of energy-efficiency and resiliency projects at various City locations for a total cost of \$4,994,884. Of that total, \$395,828 was allocated from the Building Maintenance Fund, \$3,314,916 from ARPA funds (over Fiscal Years 2021-2022 and 2022-2023), and \$1,284,140 via a 1% loan from the California Energy Commission.

Leading up to this action, staff had been working with a local HVAC design firm for replacement of the Senior Community Center's (SCC) HVAC system, which has been performing at half heating/cooling capacity since last year. At the time, it was believed that because this process had already started, and that it would precede Climatec's initiation of their scope of work, so it was not rolled into Climatec's Phase 3 scope of work (which does include other buildings HVAC replacements).

Due to the complexity of the SCC's existing designed/built HVAC system, and the on-going performance issues associated with the existing unit, the design work went on for longer than anticipated while several problem-solving solutions were considered. In addition, with COVID restrictions relaxing at the start of 2022, staff had a desire to open up more of the building to the public but had concerns over the safety and comfort of the patrons with the current HVAC's limitations. At that point, because Climatec's Phase 3 work had been approved and was commencing, staff asked Climatec if this work could be added to their existing scope as this option was considered the most expedient.

### **Analysis**

Climatec's proposed scope of work includes a comprehensive approach to replacement of the existing HVAC unit (based on the design provided by the City's contractor), including modifications to the building's existing ductwork, which has long been considered part of the reason why the existing unit has never performed well. An important component of the scope also includes performance of an air balance after completion of the new unit's replacement to ensure that it is operating as designed.

Unfortunately, this project is impacted by the supply chain slow-down experienced throughout many manufacturing sectors, and as such lead time for procurement is currently estimated at up to approximately 42 weeks. In the interim, portable heating and cooling devices are in use at the SCC, although not all of the rooms can effectively accommodate the portable units. This is especially true for those rooms with high ceilings. The selection of the portable units was done in consultation with the City's industrial hygienist, to ensure that COVID-related air quality concerns were addressed.

### **Previous Actions**

- City Council approval on December 13, 2021 of an Installation Agreement with Climatec for design and construction of energy efficiency and resiliency projects at various City locations (21-691 and 21-702)

### **Budget Authority**

Amendment No. 1 to the Installation Agreement with Climatec, LLC for Design and Construction of Energy-Efficiency and Resiliency Projects will cost an additional \$973,525 and will be funded with \$600,000 of available ARPA funds (Account 190-17-801-5240), and \$375,525 of available CIP funds (Account 210-18-147-5240). Adequate funding exists in both of these accounts for this project.

### **ATTACHMENTS**

- Attachment A: Resolution of the City of San Leandro City Council to Approve and Authorize the City Manager to Execute Amendment No. 1 to the Installation Agreement between the City of San Leandro and Climatec, LLC for Design and Construction of Energy-Efficiency and Resiliency Projects at Various City Locations
- Attachment B: Amendment No. 1 to the Installation Agreement between the City of San Leandro and Climatec, LLC for Design and Construction of Energy-Efficiency and Resiliency Projects at Various City Locations

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