

**TO:** James L. App, City Manager  
**FROM:** Doug Monn, Public Works Director  
**SUBJECT:** Replacement of HVAC Components at the City Hall/Library  
**DATE:** May 4, 2010

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**NEEDS:** For the City Council to consider awarding a contract for removal and replacement of the Conference Center HVAC units and City Hall/Library building chiller.

- FACTS:**
1. The City Hall/Library building has been in operation since 1995.
  2. In 2003 the San Simeon earthquake opened a sulfur hot spring in the parking lot. The resulting sulfur fumes have accelerated wear on the HVAC system(s).
  3. As a result the HVAC units above the Conference Center are non-operational and the Library/City Hall chiller is showing signs of corrosion that could result in a unit failure.
  4. The accelerated wear is not reimbursable by FEMA.
  5. At the January 5, 2010 meeting Council authorized staff to retain the services of PMSM to prepare plans and specifications for bidding replacement of the components.
  6. The bid specifications allow Council to award the contract for either the Council Chambers HVAC and chiller components, or only the Chamber HVAC components.
  7. The following bids were received at the April 22, 2010 bid opening:

	<u>HVAC &amp; Chiller (Total)</u>	<u>HVAC (Only)</u>
Knecht's Plumbing & Heating	\$154,300	\$56,100
Smith Electric	\$171,781	\$69,281
Masterbuilt Construction	\$189,000	\$75,500
Ahrens Corporation	\$203,000	\$56,000
  8. In accordance with bid specifications the lowest responsible bid would be determined by the overall combined cost of the Council Chamber HVAC units and Chiller. The \$154,300 bid submitted by Knecht's Plumbing and Heating is the lowest responsive and responsible bid.

**ANALYSIS &  
CONCLUSION:**

The age of the HVAC units along with sulfur fumes from the hot springs in the City Hall parking lot has rendered the HVAC units above the conference room inoperable. In addition the chiller unit serving the Library and City Hall is near the end of its useful life and should be replaced. Awarding this bid will enable replacement of both the Council HVAC units and the chiller.

**POLICY**

**REFERENCE:** Paso Robles Purchasing Policy

**FISCAL IMPACT:** Payment for the approved contract (\$154,300 or \$56,100) will come from the facilities repairs fund 119. If the contract is awarded in the amount of \$154,300 the remaining facilities repairs fund balance will be \$154,000.

- OPTIONS:**
- a. Adopt Resolution No. 10-xx appropriating \$154,300 from the Facilities Repair Fund No. 119-310-xxxx-175, and authorizes the City Manager to enter into a contract with Knecht's Plumbing & Heating in the amount of \$154,300 for replacement of the Conference Center HVAC units and City Hall/Library building chiller.
  - b. Adopt Resolution No. 10-xx appropriating \$56,100 from the Facilities Repair Fund No. 119-310-xxxx-175 and authorize the City Manager to enter into a contract with Knecht's Plumbing & Heating in the amount of \$56,100 for the replacement of only the Conference Center HVAC units.
  - c. Amend, modify, or reject the above option.

Prepared by Dennis Fansler

Attachment

1) Resolutions

RESOLUTION NO. 10-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
AWARDING A CONTRACT FOR REMOVAL AND REPLACEMENT OF THE  
CONFERENCE CENTER HVAC UNITS & CITY HALL/LIBRARY BUILDING CHILLER

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WHEREAS, the City Hall/Library building has been in operation since 1995; and

WHEREAS, in 2003 the San Simeon earthquake opened a sulfur hot spring in the parking lot causing the sulfur fumes to accelerate wear on the HVAC system(s); and

WHEREAS, the HVAC units above the Conference Center are currently non-operational; and

WHEREAS, the Library/City Hall Chiller is showing signs of corrosion and is near the end of its useful life; and

WHEREAS, plans and bid specifications for replacement of the components were prepared and distributed in March 2010;

WHEREAS, four bids were received ranging from \$154,300 to \$203,000; and

WHEREAS, staff reviewed the low bid submitted by Knecht's Plumbing and Heating, Inc., in the amount of \$154,300, and found it to be a responsive and responsible bid; and

WHEREAS, this project can be funded from the Facilities Repairs Funds No. 119-310-xxxx-175.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of Paso Robles does hereby award a contract to Knecht's Plumbing and Heating, Inc. in the amount of \$154,300 to provide replacement of the Conference Center HVAC units and City Hall/Library building chiller, and authorizes the City Manager to execute the contract.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 4th day of May 2010 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Duane Picanco, Mayor

ATTEST:

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Lonnie Dolan, Deputy City Clerk

RESOLUTION NO. 10-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
AWARDING A CONTRACT FOR REMOVAL AND REPLACEMENT  
OF THE CONFERENCE CENTER HVAC UNITS

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WHEREAS, the City Hall/Library building has been in operation since 1995; and

WHEREAS, in 2003 the San Simeon earthquake opened a sulfur hot spring in the parking lot causing the sulfur fumes to accelerate wear on the HVAC system(s); and

WHEREAS, the HVAC units above the Conference Center are currently non-operational; and

WHEREAS, plans and bid specifications for replacement of the components were prepared and distributed in March 2010;

WHEREAS, four bids were received ranging from \$154,300 to \$203,000; and

WHEREAS, staff reviewed the low bid submitted by Knecht's Plumbing and Heating, Inc., in the amount of \$56,100, and found it to be a responsive and responsible bid; and

WHEREAS, this project will be funded from the Facilities Repairs Funds No. 119-310-xxxx-175.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of Paso Robles does hereby award a contract to Knecht's Plumbing and Heating, Inc. in the amount of \$56,100 to provide replacement of the Conference Center HVAC units, and authorizes the City Manager to execute the contract.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 4th day of May 2010 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Duane Picanco, Mayor

ATTEST:

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Lonnie Dolan, Deputy City Clerk