COUNCIL ACTION FORM

SUBJECT: CITY HALL COOLING TOWER REPLACEMENT

BACKGROUND:

The City Hall HVAC system uses two cooling towers as part of the air conditioning process. The existing cooling towers are 16 years old and are in need of major repairs. During development of the FY 2017/18 adjusted budget, $230,000 in one-time savings in the General Fund was redirected to replace these cooling towers.

Because the same model of cooling tower is still available, this project involves a like-for-like replacement. Since no modifications are needed to replace the equipment, no design documents are required. On March 26, 2018, an invitation to bid was issued for the project. On April 2, 2018, one bid was received as follows:

Bidders	Two new cooling towers including removal of old units	Option: Chemical feeding system for water treatment	Total Cost
Sys-Kool, Omaha, NE	$166,710	$28,500	$195,210

Sys-Kool is the regional vendor for this model of cooling tower. No other vendor can provide the exact model specified in the bid. The total cost of furnishing two new units, including the chemical feeding system, and removing the old units would be $195,210. Although Sys-Kool would furnish the units, staff will need to contract with another vendor to complete the connections to the existing HVAC system. Staff anticipates this additional cost to be less than $5,000. In total, the $230,000 in appropriated funding should be sufficient for the complete project.

ALTERNATIVES:

1. Award the replacement of the two City Hall cooling towers to Sys-Kool, of Omaha, NE, including the option for the chemical feeding system in the amount of $195,210.

2. Reject the bids.

CITY MANAGER'S RECOMMENDED ACTION:

Replacing the cooling towers the City will avoid high maintenance costs for older equipment and reduce chemical treatment costs. The new units are expected to provide reliable service to cool City Hall. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as described above.