



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Authorizing Emergency Replacement of Damaged City Hall and Carnegie Forum Air Conditioner Chiller Barrel and Authorizing City Manager to Execute Purchase Order to Indoor Environmental Services (**\$57,325**)
MEETING DATE: April **16,2008**
PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt a resolution authorizing the emergency replacement of damaged City Hall and Carnegie Forum air conditioner chiller barrel and authorizing the City Manager to execute a purchase order to Indoor Environmental Services, of Sacramento, in the amount of \$57,325.

BACKGROUND INFORMATION: The City Hall and Carnegie Forum air conditioning units are serviced by water that has been chilled by a 125-ton, air-cooled chiller unit that is nineteen years old. Two weeks ago, the chiller experienced a significant internal loss of refrigerant that was determined to be caused by the collapse of several copper tubes.

Staff initiated an insurance claim and is working currently to see if any insurance reimbursement may be forthcoming. Estimates for repairing and replacing the chiller were received.

- The lowest cost repair estimate is \$30,000 to re-tube the existing chiller barrel, replacing the existing copper tubing with new tubes; the fastest this can be accomplished is approximately 2 ½ months.
- The second repair option is to replace the existing barrel with a new barrel, at a cost of \$57,325; a company has been found that can supply a replacement barrel in two weeks.
- The third option is to replace the existing chiller unit completely with a new one, and estimates range from \$170,000 to \$205,000; time estimates range from two to seven weeks.

Staff recommends dispensing with the formal bid process for the purchase of a replacement chiller barrel and asks that the Council authorize the City Manager to execute a purchase order for emergency replacement of the existing chiller barrel through Indoor Environmental Services, the company that the City utilizes for heating, ventilation, and air conditioning (HVAC) servicing of our large, commercial HVAC equipment.

FISCAL IMPACT: Funds for major facility HVAC equipment replacement have not been set aside, nor anticipated of this magnitude, in the Capital Fund budget. Although this will tax the Facilities Division Operating budget, this replacement should be paid from there. Consideration for facilities equipment replacement should be given in next year's

budget. Staff is also investigating possible Public Benefit funding for energy efficiencies gained through installation of the new chiller barrel.

FUNDING AVAILABLE: Funding will be primarily from the Public Works Facilities Division operational budget, offset by any insurance reimbursement, and considering Public Benefit funds.

Kirk Evans, Budget Manager

F. Wally Sandelin
Public Works Director

Prepared by Dennis J. Callahan, Fleet & Facilities Manager

FWS/DC/pmf

cc: George Morrow, Electric Utility Director

Director of Customer Service Crystal Grass, Indoor Environmental Services

Rob Lechner, Manager, Customer Services & Programs

APPROVED:
Blair King, City Manager

RESOLUTION NO. 2008-66

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
EMERGENCY REPLACEMENT OF DAMAGED CITY HALL
AND CARNEGIE FORUM AIR CONDITIONER CHILLER
BARREL AND FURTHER AUTHORIZING CITY MANAGER TO
EXECUTE PURCHASE ORDER TO FUND REPLACEMENT

WHEREAS, the chiller unit, which services City Hall and Carnegie Forum, has experienced a significant internal loss of refrigerant caused by the collapse of several copper tubes; and

WHEREAS, estimates were received for repairing and replacing the chiller; and

WHEREAS, staff recommends replacing the chiller barrel at a cost of \$57,325; and

WHEREAS, staff recommends dispensing with the formal bid process due to the emergency nature of the replacement; and

WHEREAS, staff recommends replacement of the chiller barrel through Indoor Environmental Services, of Sacramento, which is the company that currently services most of the City of Lodi's large, commercial heating, ventilation, and air conditioning equipment for City buildings.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the emergency replacement of the damaged City Hall and Carnegie Forum air conditioner chiller barrel; and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the City Manager to execute a purchase order in the amount of \$57,325 to Indoor Environmental Services, of Sacramento.

Dated: April 16, 2008

I hereby certify that Resolution No. 2008-66 was passed and adopted by the City Council of the City of Lodi in a regular meeting held April 16, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Katakian, and Mayor Mounce

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk

CITY COUNCIL

JOANNE L. MOUNCE, Mayor
LARRY D. HANSEN,
Mayor Pro Tempore
SUSAN HITCHCOCK
BOB JOHNSON
PHILKATZAKIAN

CITY OF LODI

PUBLIC WORKS DEPARTMENT

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6706
FAX (209) 333-6710
EMAIL pwdept@lodi.gov
<http://www.lodi.gov>

BLAIR KING
City Manager
RANDI JOHL
City Clerk
D. STEVEN SCHWABAUER
City Attorney
F. WALLY SANDELIN
Public Works Director

April 11, 2008

Crystal Gross, Director of Customer Service
Indoor Environmental Services
1512 Silica Avenue
Sacramento, CA 95815

SUBJECT: Adopt Resolution Authorizing Emergency Replacement of Damaged
City Hall and Carnegie Forum Air Conditioning Chiller Barrel and
Authorizing City Manager to Execute Purchase Order to Indoor
Environmental Services (\$57,325)

Enclosed is a copy of background information on an item on the City Council agenda of
Wednesday, April 16, 2008. The meeting will be held at 7 p.m. in the
City Council Chamber, Carnegie Forum, 305 West Pine Street.

This item *is* on the consent calendar and is usually not discussed unless a
Council Member requests discussion. The public is given an opportunity to address
items on the consent calendar at the appropriate time.

If you wish to write to the City Council, please address your letter to City Council,
City of Lodi, P. O. Box 3006, Lodi, California, 95241-1910. Be sure to allow time for the
mail. Or, you may hand-deliver the letter to City Hall, 221 West Pine Street.

If you wish to address the Council at the Council Meeting, be sure to fill out a speaker's
card (available at the Carnegie Forum immediately prior to the start of the meeting) and
give it to the City Clerk. If you have any questions about communicating with the
Council, please contact Randi Johl, City Clerk, at (209) 333-6702.

If you have any questions about the item itself, please call Dennis Callahan,
Fleet and Facilities Manager, at (209) 333-6800, extension 2690.



for: F. Wally Sandelin
Public Works Director

FWS/pmf

Enclosure

cc: City Clerk