



Agenda Item: Discuss and Consider Approval of Expenditures for Purchase and Install of HVAC System for the Park Board Plaza Renovation Project

Background: At the February 28, 2023, Board of Trustees meeting, staff presented and received approval for the Park Board Plaza Renovation Expenditures minus the purchase and installation of the needed HVAC system. During the planning phase for this renovation, it was discovered that the current allocation of air from other units to this area will not handle the load required to properly cool/heat this space. This cost was not anticipated when the budget for the project was estimated, and staff needed to determine funding before submitting for approval.

Johnson Controls was the contractor for the installation of the current HVAC equipment and controls. This system is very complicated and their knowledge of how it works is invaluable. In addition, Johnson Controls currently does all maintenance and repairs at the Plaza and are currently under contract through 12/31/2024. Utilizing the Sourcewell Purchasing Coop Contract with Johnson Controls, the cost for this unit, installation and related duct work for this area is \$97,508.92 a. In addition, the electrical work required for this system has been quoted by Competitive Electric in the amount of \$7,499.01.

To pay for this system, staff is recommending the use of the Park Board’s Line of Credit with Moody National Bank. There is currently \$487,330 available with \$52,695 outstanding. The rate for this loan is 1.95% and would be on a three-year amortization term.

Staff Recommendation: Staff is recommending approval to award the HVAC system purchase and install to Johnson Controls via the Sourcewell Contract in the amount of \$97,508.92 and add the electrical updates to Competitive Electric in the amount of \$7,499.01 to the previously awarded contract for the renovation electrical work. Staff also recommends approval to finance these costs, not to exceed \$106,000, utilizing the Park Board’s Line of Credit with Moody National Bank.

This item was presented to the Finance and Operations Committee on March 14, 2023 and approved unanimously (4-0).

Funding Source (if applicable): The costs will be allocated to each department based on their usage of space for the renovation project:

HVAC Purchase and Install

	Percentage	Cost Per Department
\$ 106,000.00		
GF50 - 5250	44%	\$ 47,111.11
GF60 - 5250	4%	\$ 4,711.11
NB70 - 5250	4%	\$ 4,711.11
TD70 - 7002	27%	\$ 28,266.67
DP52 - 5250	2%	\$ 2,167.11
RA51 - 5250	2%	\$ 2,167.11
SB51 - 5250	2%	\$ 2,167.11
SW70 - 5250	2%	\$ 2,167.11
UP51 - 5250	12%	\$ 12,531.56
Total	100%	\$ 106,000.00