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**CITY of NOVI CITY COUNCIL**

**Agenda Item I  
April 21, 2008**

**SUBJECT: Approval to extend contract for heating and cooling preventive maintenance to Detroit Temperature Engineers at current rates until December 1, 2008 (estimated cost \$15,000 plus parts and labor for additional repairs)**

**SUBMITTING DEPARTMENT: Building & Grounds; Police; Fire; Library**

**CITY MANAGER APPROVAL:**

<b>EXPENDITURE REQUIRED</b>	Approximately \$15,000 based on the last 12 month's experience
<b>AMOUNT BUDGETED</b>	\$31,000
<b>LINE ITEM NUMBER</b>	Account nos. 814 (contractual services and 934 (building maintenance) across applicable departments/funds)

**BACKGROUND INFORMATION:**

Detroit Temperature has provided very good preventive maintenance service for many years. With the changes in the mechanicals in various City facilities, we are recommending extending the contract until this fall when requests for proposals will be sent out based on updated equipment.

**RECOMMENDED ACTION: Approval to extend contract for heating and cooling preventive maintenance to Detroit Temperature Engineers at current rates until December 1, 2008 (estimated cost \$15,000 plus parts and labor for additional repairs)**

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Crawford				
Council Member Gatt				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

PREVENTIVE MAINTENANCE - CITY OF NOVI SPREAD SHEET FOR THREE YEAR CONTRACT 4-5-05 TO 4-5-08

	2005-2006	2006-2007	2007-2008	
		2.5% increase	2.7% increase	
City of Novi, Adm. Offices	\$1,070.00	\$1,096.75	\$1,126.36	2 times/mo.
Police Headquarters	\$560.00	\$574.00	\$589.50	monthly
Novi DPW Facility	\$330.00	\$338.25	\$347.40	monthly
Novi Fire Station #1	\$280.00	\$287.00	\$294.75	quarterly
Novi Fire Station #2	\$160.00	\$164.00	\$168.40	quarterly
Novi Fire Station #3	\$160.00	\$164.00	\$168.40	quarterly
Novi Fire Station #4	\$440.00	\$451.00	\$463.00	quarterly
Parks & Rec (Old Novi Fire #4)	\$160.00	\$164.00	\$168.40	quarterly
Novi Public Library	\$400.00	\$410.00	\$421.00	quarterly

Detroit Temperature Engineers, Inc.  
 12490 Globe Road Livonia, Michigan 48150

1/11/2008  
 sent to Carol Kalinovik

**CITY OF NOVI  
PROPOSAL FORM**

City of Novi  
Carol J. Kalinovik  
Purchasing Official  
45175 W. Ten Mile Road  
Novi MI 48375

We the undersigned as bidder, propose to furnish to the City of Novi, according to the conditions and instructions attached hereto and made a part thereof according to the attached terms and conditions.

**HVAC MAINTENANCE / PROFESSIONAL SERVICES CONTRACT.**

**Locations 1-7:**

1. Civic Center (twice per month)	\$ <u>1,070.00</u>	per month
2. Police Headquarters (once per month)	\$ <u>560.00</u>	per month
3. DPW Facility (once per month)	\$ <u>330.00</u>	per month **
4. Fire Station #1 (once per quarter)	\$ <u>280.00</u>	per quarter
5. Fire Station #2 (once per quarter)	\$ <u>160.00</u>	per quarter
6. Fire Station #3 (once per quarter)	\$ <u>160.00</u>	per quarter
7. Fire Station #4 (once per quarter)	\$ <u>440.00</u>	per quarter

*Exclusions: Filters, additional start-up labor, and winter chiller preventative maintenance work.*

**Alternate #1:**

Library (once per quarter) \$ 400.00 per quarter

*Exclusions: Filters, additional start-up labor, and winter chiller preventative maintenance work.*

**Additional Services:**

Rate Chart	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
Hourly Rate (Normal Hours M-F 8:00 am-4:30 pm)	80.00	83.00	86.00
Hourly Rate (Premium Time M-F after 8, first 8 on Sat.)	108.00	112.00	115.00
Hourly Rate (Sundays & Holidays)	130.00	136.00	142.00
Truck Charge	see attached clarifications.		
Material Discount	15%	15%	15%

**Terms & Conditions:**

The City of Novi retains the right to obtain competitive pricing for component parts with a cost in excess of \$1,000.

Comments: \_\_\_\_\_

a.) We have not included the requested references - as Novi's Contractor of record for the last many years, we presumed this formality would be waived.

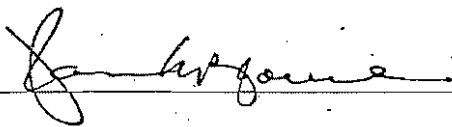
b.) We would like to suggest that the individual department heads be given the authorization to approve repairs (for Emergencies) that would not exceed \$2,500. as a method of dealing with system problems/emergencies more timely.

Company Name: Detroit Temperature Engineers, Inc.

Address: 12490 Globe Rd. City Livonia State Mich. Zip 48150

Agent's Name: James M. Browne  
(Please type)

Agent's Title: President  
(Please type)

Agent's Signature: 

Telephone No. 734-591-2100 Fax No. 734-591-0964

E-mail: brownefox@aol.com

Date: February 2, 2005



12490 Globe Road, Livonia, Michigan 48150-1184 • Phone (734) 591-2100 • Fax (734) 591-0964

February 2, 2005

Ms. Carol Kalinovic  
Purchasing Director  
City of Novi  
45175 W. Ten Mile Rd.  
Novi, MI 48375

Re: HVAC Preventive Maintenance Proposal

" BID CLARIFICATIONS"

The following information is relative to the HVAC Preventive Maintenance Proposal (attached) - and is being provided for clarification and/or options purposes . . . as you deem necessary.

- a.) The 'monthly' and 'quarterly' prices provided are 'averaged' by summarizing the cost of Inspections, then dividing by the number of inspections requested. Some months/quarters are higher or lower than the 'averaged' price indicated.
- b.) To be consistent with past experience, the maintenance plan for DPW should be quarterly - not monthly. If quarterly is acceptable, our price per quarter is \$440.00. If monthly is required, the 'averaged' monthly price is \$330.00.
- c.) There will be no 'truck charge' for emergency repairs performed while 'on site' for the first truck; or for work performed during 'normal working hours, (M-F, 8AM - 5PM). A \$35.00 / Service call will be charged for 'after hours' Emergency Repairs; and for a second truck (and mechanic) assisting a normal hours or 'after hours' repair.
- R* d.) With the anticipation of increased labor and insurance costs, the Monthly and Quarterly contract prices (if accepted) shall increase in cost to the City of Novi as follow:
  - EFF. APRIL 5, 2006* - Second year - 2.5% (over first year rate)
  - " APRIL 5, 2007 "* Third year - 2.7% (over second year price)

If you have any questions, please don't hesitate to call.

DETROIT TEMPERATURE ENGINEERS, INC.