

**CITY OF MIAMI BEACH  
COMMISSION ITEM SUMMARY**



**Condensed Title:**

A Resolution to Approve Amendment No. 2 to the Johnson Controls, Inc. Master Agreement for an Energy Conservation Performance Contract, in an Amount not to Exceed \$40,000, for the Replacement and Balance of the Blower Wheels of the Air Handler Units No. 5, 9 And 11 Located in City Hall.

**Issue:**

Shall the Commission Approve the Award to Johnson Controls, Inc.?

**Item Summary/Recommendation:**

On January 21, 1998, the City Commission approved the award of a contract to Johnson Controls Inc. (JCI) pursuant to RFQ No. 38-96/97 for the development and implementation of an energy conservation performance based contract. As a result of this contract, new, reliable, state-of-the-art equipment was installed in over 20 City facilities. In addition, the contract included a 10-year service agreement for the new equipment installed.

The Property Management Division has determined that due to corrosion, and in order to maintain the air conditioning equipment located in City Hall in good working condition and prevent untimely breakdowns, the blower wheels on air handler units number 5, 9 and 11 need replacement. These blower wheels are a component of the equipment being maintained by JCI.

APPROVE THE AWARD

**Advisory Board Recommendation:**

N/A

**Financial Information:**

Source of Funds:		Amount	Account	Approved
<div style="border: 1px solid black; width: 50px; height: 50px; display: inline-block;"></div> Finance Dept.	1	\$40,000	520.1720.000674 Property Management Capital Account	
	2			
	3			
	4			
	<b>Total</b>			

**City Clerk's Office Legislative Tracking:**

FRED BECKMANN

**Sign-Offs:**

Department Director		Assistant City Manager	City Manager
GL <i>gl</i>	FB <i>FB</i>	RCM <i>RCM</i>	<i>Jorge</i>

AGENDA ITEM C70  
DATE 4-30-03

# CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139  
www.miamibeachfl.gov



## COMMISSION MEMORANDUM

**To:** Mayor David Dermer and  
Members of the City Commission

**Date:** April 30, 2003

**From:** Jorge M. Gonzalez  
City Manager

A handwritten signature in black ink, appearing to read 'Jorge'.

**Subject:** **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AMENDMENT NO. 2 TO THE JOHNSON CONTROLS, INC. MASTER AGREEMENT FOR AN ENERGY CONSERVATION PERFORMANCE CONTRACTING, IN AN AMOUNT NOT TO EXCEED \$40,000 FOR THE REPLACEMENT AND BALANCE OF THE BLOWER WHEELS OF THE AIR HANDLER UNITS NO. 5, 9 AND 11 LOCATED IN CITY HALL.**

### ADMINISTRATION RECOMMENDATION

Adopt the Resolution.

### FUNDING

\$40,000 Funds are available from the Property Management Capital Account Number 520.1720.000674

### ANALISYS

On January 21, 1998, the City Commission approved the award of a contract to Johnson Controls, Inc. (JCI) pursuant to RFQ No. 38-96/97 for the development and implementation of an energy conservation performance based contract. As a result of this contract, new, reliable, state-of-the-art equipment was installed in over 20 City facilities. In addition, the contract included a 10-year service agreement for the new equipment installed.

The Property Management Division has determined that due to corrosion, and in order to maintain the air conditioning equipment located in City Hall in good working condition and prevent untimely breakdowns, the blower wheels on air handler units number 5, 9 and 11 need replacement. These blower wheels are a component of the equipment being maintained by JCI.

However, according to the service agreement, paragraph 10 (h) Exclusions, "JCI's services under this Planned Service Agreement Schedule do not include service calls resulting from the effects of erosion, **corrosion**, acid cleaning, or damage from unexpected or especially severe freezing weather that is beyond what is prevented by JCI's normal maintenance."

Also excluded from the service agreement is "(i) work caused by any operation of, adjustments to, or repair to, Covered equipment by others not authorized in advance by JCI." In order to avoid warranty issues, it is recommended that JCI, replace the blower wheels, since it would be impossible to hold JCI responsible for servicing the equipment that has been repaired by an outside contractor.

The Property Management Division's is very satisfied with JCI's performance during the five year period that the contract has been in place, and recommends the use of JCI for this project to avoid warranty and contract coverage issues. Additionally, the materials needed for the project and man hours quoted for the project were both reviewed by our A/C Supervisor, a State Certified Air Conditioning Contractor, and both are within industry standards for the scope of work of the project.

### **CONCLUSION**

The Administration recommends that the City Commission approve Amendment No. 2 to the Johnson Controls, Inc. Master Agreement for an Energy Conservation Performance Contracting, in an amount not to exceed \$40,000, for the replacement and balance of the blower wheels of the air handler units No. 5, 9 and 11 located in City Hall.