

**STATEMENT OF BUDGET IMPACT**  
**(Policy Number 94-45)**  
**Budgetary Review of Proposed Resolution &**  
**Ordinances with Financial Implication.**

**Date:** October 20, 2016

BIS 17-031

**File:** TMP-2016-543

**Proposed Legislation:**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA AUTHORIZING THE ISSUANCE OF THE ATTACHED BLANKET PURCHASE ORDER BETWEEN THERMO AIR, INC. AND THE CITY OF HOLLYWOOD INCREASING THE ESTIMATED ANNUAL EXPENDITURE FOR CENTRAL AIR CONDITIONING SYSTEMS MAINTENANCE AND REPAIR SERVICES, FROM \$190,586.00 TO AN ESTIMATED ANNUAL AMOUNT OF \$290,586.00 FOR THE FIRST YEAR OF THE INITIAL THREE YEAR CONTRACT TERM (FEBRUARY 17, 2016 TO FEBRUARY 16, 2017).

**Statement of Budget Impact:**

1.  No Budget Impact associated with this action;
2.  Sufficient resources are identified /available;
3.  Budgetary resources not identified/unavailable;
4.  Potential revenue is possible with this action;
5.  Will not increase the cost of Housing;
6.  May increase the cost of Housing; (CDAB review required)

**Explanation:**

This Resolution seeks authorization for the appropriate City Officials to issue the attached Blanket Purchase Order (BPO) between Thermo-Air, Inc. and the City of Hollywood for Air Conditioning Systems Maintenance and Repair Services at the City's main facilities by increasing the amount from \$190,586.00 to \$290,586.00 for initial year of the three (3) years contract through February 16, 2017.

On February 17, 2016, the City Commission passed and adopted Resolution R-2016-040 which authorized the issuance of Blanket Purchase Order Number B002829 to Thermo Air, Inc. for air conditioning systems maintenance and repair services, in accordance with Bid Number F-4475-16-RD, for an initial three (3) year term for an annual estimated expenditure amount of \$140,586.00 with the option to renew for two (2) addi-

tional one (1) year periods. Due to the aging air conditioning systems in our facilities city-wide, the number of system breakdowns has seen a substantial increase over the last several months. On October 5, 2016, via Public Works memo PW-16-079, the City Manager approved an increase of \$50,000.00 to the estimated annual expenditure amount of blanket purchase order B002829 from \$140,586.00 to \$190,586.00 to allow Public Works to process the payment of outstanding invoices to Thermo Air and allow for on-going maintenance. The Director of Public Works requests that the City Commission authorize the increase of the estimated annual expenditure amount by an additional \$100,000.00 to the first year annual amount of \$290,586.00 based upon the current dependency for said contractual services together with the increase in maintenance and repair work orders experienced for the agreement term of 2/17/16 to 2/16/17.

Pursuant to Section 38.42(E) (1) of the Purchasing Ordinance of the City of Hollywood, when any goods, supplies, materials or contractual services shall be purchased and the estimated annual amount to be paid therefore by the City shall be more than \$50,000.00, the Director shall have the authority to recommend the award of a contract to the Manager for Commission action.

Funding for the attached blanket purchase order has been provided in the Fiscal Year 2017 Operating Budget in the Department of Public Works in the following account numbers, 01.5174.00000.519.004635 – Maintenance – Buildings, 01.5174.00000.519.006453 – Machinery / Equipment, and in the Fire Department account number 01.2151.00000.522.004635 - Maintenance – Buildings, and will be budgeted in subsequent fiscal years subject to the passage and adoption of each subsequent fiscal year's Operating Budget by the City Commission.

**PREPARED BY:** Mac Champion  
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**APPROVED BY:** Kee Eng  
Budget Manager