



# City of Hollywood, Florida

2600 HOLLYWOOD BLVD. • P.O. Box 229045 • ZIP 33022-9045

DATE: **November 2, 2016**

RE: **BLANKET ORDER # B002829 (REVISED)**  
**PRODUCT/SERVICE: Air Conditioning Systems**  
**Maintenance and Repair Services**

**Thermo Air, Inc. (V#8450)**  
**Attention: Jim Neveils**  
**2875 North 29<sup>th</sup> Avenue**  
**Hollywood, FL 33020**

**Telephone Contact: 561-309-4427**  
**Fax: 954-923-8003**  
**Email: [jimn@thermo-air.com](mailto:jimn@thermo-air.com)**

Dear Vendor:

This is to inform you that the City of Hollywood, Florida is entering into a Blanket Order with your Company based on one of the following:

- |                                     |                                  |        |
|-------------------------------------|----------------------------------|--------|
| <input checked="" type="checkbox"/> | FORMAL BID # <b>F-4475-16-RD</b> |        |
| <input type="checkbox"/>            | INFORMAL BID #                   | DATED: |
| <input type="checkbox"/>            | RENEWAL OF FORMAL BID #          | DATED: |
| <input type="checkbox"/>            | EXTENSION OF FORMAL BID/RFP#     | DATED: |
| <input type="checkbox"/>            | WRITTEN QUOTATION #              | DATED: |
| <input type="checkbox"/>            | VERBAL QUOTATION PER             | DATED: |
| <input type="checkbox"/>            | STATE OF FLORIDA CONTRACT #      | DATED: |
| <input type="checkbox"/>            | BROWARD COUNTY BID #             |        |
| <input type="checkbox"/>            | OTHER:                           |        |

The term of this order is **2/17/2016** through **2/16/2019** (Initial three (3) year term with two (2) additional one (1) year renewal options approved via Resolution R-2016-040 on February 17, 2016).

The estimated dollar value is **\$290,586.00** through **2/16/17** and **\$140,586.00** annually through **2/16/19**. (Approved via Resolution R-2016-XXX on X X, 2016.

The obligations of the City of Hollywood under this order are subject to the availability of funds lawfully appropriated for its purpose by the City Commission and are subject to the terms and conditions contained on the Purchase Order form.

**Contingent upon the receipt and approval of all required certificates of Insurance.**

The City of Hollywood Departments will issue hard copy orders against this Blanket Order as your authorization to deliver. All invoices must reference each unique document number.

If you have any questions, please contact **Linda Silvey** at (954) 921-3200.

c:Public Works  
Police Department  
Fire Department  
Finance


CITY OF HOLLYWOOD, FLORIDA  
DEPARTMENT OF PUBLIC WORKS  
INTER-OFFICE MEMORANDUM

10/5/16  
OK  
3

DATE: October 4, 2016

FILE: PW-16-079

TO: Dr. Wazir Ishmael  
City Manager

VIA:  Mel Standley  
Assistant City Manager, Public Safety

Sylvia Glazer   
Director, Public Works

FROM: Gregory Gibson   
Assistant Director, Public Works

SUBJECT: Thermo-Air – Blanket Purchase Order Increase

2016 OCT -5 PM 1:33  
CITY OF HOLLYWOOD  
PROCUREMENT SERVICES  
DIVISION

**ISSUE:**

The Department of Public Works currently has a Blanket Purchase Order with Thermo Air, Inc for Air Conditioning Systems Maintenance and Repair Services, Blanket Purchase Order (BPO) B002829. The term of this contract is for three years (02/17/16 - 02/16/19), with two one-year options for renewal.

We are requesting that the City Manager approve an increase of \$50,000 to allow Public Works to address payment of outstanding invoices, and provide for the on-going regular maintenance for our mechanical systems while Public Works seeks City Commission approval to increase the referenced BPO in the amount of \$150,000 to a first- year term limit of \$290,586. This City Commission action is needed to address existing maintenance contracts with this vendor and anticipated HVAC maintenance response needs through the first-year term of the contract (02/17/16 - 02/16/17).

**EXPLANATION:**

The Department of Public Works has a contract with Thermo Air, Inc for Air Conditioning Systems Maintenance and Repair Services for the mechanical systems within the City's buildings, structures and facilities. The BPO was based upon an estimated utilization of vendor support for the HVAC technician, which is a City employee.

The City's only HVAC technician left the City in early June, leaving the City wholly dependent upon contractor support and involvement to address the maintenance and repair of the mechanical systems for all of our City facilities. We are in the process of seeking to re-hire this

position, and are working closely with the Department of Human Resources. However, after reviewing multiple applications and conducting several interviews, a suitable candidate for this position still has not yet been identified. We further believe that one (1) additional HVAC technician will be needed in order to address the City's deferred maintenance needs for its aging mechanical systems.

Moreover, due to the increasing frequency of breakdowns and failures of the City's aging mechanical systems, we have experienced tremendous reliance on the Thermo Air contractor and blanket purchase order to address the City's needs in the restoration and maintenance of these mechanical systems.

Below is a summary detailing the explanation for the increased amount:

- \$140,586 – Original blanket purchase order amount
  - The Department of Public Works was required to use greatly increased vendor support to address increasing number of repairs to multiple aging mechanical systems, as there has also been no HVAC technician on City staff since June 2016.
- \$171,183 – Work completed and encumbered to date (as advised by Procurement).
- \$150,000 - Estimated amount needed to cover operations through 02/16/17.

As a funding solution, we plan to use the following departmental operation account:

- \$150,000 Acct #01.5174.00000.519.004635 (Maintenance-Buildings)

We also anticipate the substantial increase in air conditioning system repairs will impact the Public Works' FY 2017 operational budget. A mid-year budget adjustment will need to be considered to address potential funding shortfalls for the current fiscal year.

### **RECOMMENDATIONS:**

The Department of Public Works recommends the City Manager provide an increase to Blanket Purchase Order B002829 for Thermo Air, Inc in the amount of \$50,0000 while the Department of Public Works seeks approval (draft resolution attached) to increase the expenditure amount for the current term of the contract (02/17/16 - 02/16/17) in the amount of \$150,000, from \$140,586 to \$290,586.

cc: George Keller, Assistant City Manager, Finance & Administration  
Paul Bassar, Contracts Compliance Officer  
Jonathan Vogt, Deputy Director, Public Works  
Eugene Champion, Management/Budget Analyst, Financial Services  
Linda Silvey, Budget and Procurement Services Technician

Attachments