

**Memorandum
Public Works Department**



To: City Manager
Subject: Mill St Plant HVAC Maintenance Contract
Date: March 16, 2017
Number: 2017-029

The Wastewater Treatment division requested proposals for maintaining the heat recovery and air conditioning units located in structure 50 of the Wet Weather Treatment System and the heat recovery unit in the Bio-gas generator building. The maintenance of these critical units is beyond the scope and capabilities of our in-house staff. The following proposals for 3 year contracts were received with the first year's price listed below:

Crawford Company	\$4,528.00
Northwest Mechanical, Inc	\$7,554.00
Climate Engineers	\$14,250.00
Ryan & Associates, Inc	\$31,708.00

Recommendation

The Public Works Department recommends that the City Council approve the HVAC Servicing proposal from Crawford Company of Rock Island, IL in the amount of \$4,528.00 and authorize the City Manager to execute the contract documents.

Vendor: Crawford Company

Payment Amount: \$4,528.00

Fund:	506	Wastewater Operations & Maintenance
Department:	618	Utilities Services
Cost Center:	341	Wastewater Mill Street Plant
Object Code:	53804	Equipment Service Contracts

Requisition Number: R006559

Submitted by: Larry Cook, Interim Public Works Director
Lisa Perry, Wastewater Treatment Supervisor

Approved by: Randall D. Tweet, Interim City Manager



Proposal Number: H-582-ROCK PM

Prepared for:

**Rock Island City Wastewater Plant
1251 Mill Street
Rock Island, IL 61201**

Prepared By:

Crawford Company
1306 Mill Street
Rock Island, IL 61201
Phone: 309-788-4573
Fax: 309-788-4691

12:23

"Providing Leadership Quality Service for the HVAC/R Industry"

Table of Contents

EXECUTIVE SUMMARY	3
BENEFITS OF PLANNED MAINTENANCE	3
ENERGY DOLLAR SAVINGS	4
OPERATING COST SAVING	4
ELIMINATION OF EXPENSIVE DOWN TIME	5
EXTENDING EQUIPMENT LIFE	5
IMPROVED INDOOR AIR QUALITY	5
INCREASED COMFORT CONTROL	5
PLANNED MAINTENANCE PERFORMED AROUND YOUR SCHEDULE	5
PROGRAM FEATURES	6
ANNUAL INVESTMENT	7
TERMS AND CONDITIONS	8
LIST OF MAINTAINED EQUIPMENT	10

EXECUTIVE SUMMARY

Crawford Company would like to thank Rock Island City Wastewater Plant for this opportunity to propose the following custom tailored mechanical maintenance solution for your heating, ventilation and air conditioning (HVAC) equipment. We wish to thank Lisa Perry for assistance in getting the needed information to make this proposal possible.

In today's economy, companies like Rock Island City Wastewater Plant are charged with finding ways to continually improve upon quality service while containing or reducing costs. During this time, effective strategic decision making is crucial to meeting these higher standards. Crawford Company is a resource that offers turnkey integrated mechanical maintenance solutions designed to help meet these goals. Crawford Company is dedicated to identifying, developing, and implementing strategies that will reduce your cost structure through the implementation of optimally designed mechanical maintenance programs and innovative procurement strategies.

Crawford Company is not only the best, but also one of the largest service organizations in the Eastern Iowa – Western Illinois area with the most sophisticated computerized dispatch and maintenance management system available. Our purchasing power of HVAC equipment and maintenance materials through our subscription in the Contractor Support System is second to none in the industry. Our purchasing power keep our costs lower, which in turn benefits you directly in all categories of HVAC work we perform on your behalf. We have, for more than 64 years, been able to provide our customers with the best value for their investment dollar.

Crawford Company has considerable experience in servicing many similar HVAC mechanical systems as Rock Island City Wastewater Plant's and will provide documentation upon request.

BENEFITS OF PLANNED MAINTENANCE

The Planned Maintenance Agreement you are about to review is the optimum choice for Rock Island City Wastewater Plant to maintain its HVAC equipment operation at peak efficiency. This program is customized to meet all of the unique requirements of your specific HVAC equipment. Rock Island City Wastewater Plant will experience many benefits from a well-designed and implemented planned maintenance program such as the one we are offering here.

Crawford Company's maintenance program is designed to help you reduce the cost of operating and maintaining your HVAC systems. Studies have shown that our type of maintenance program can help you:

- Avoid expensive downtime, employee productivity losses, or tenant turnover
- Avoid utility waste costs by up to 5-20%
- Extending the useful life of your equipment by 20% or more
- Reduce administrative costs associated with managing HVAC services

Our goal is to help you control your overall maintenance costs via an optimum blend of predictive, diagnostic, and scheduled maintenance tasking services. With this Planned Maintenance Agreement, Rock Island City Wastewater Plant will receive the following benefits:

1.1. Energy Dollar Savings

Planned maintenance keeps Rock Island City Wastewater Plant's equipment in peak operating condition, thereby reducing energy consumption. Our program will provide the proper maintenance tasking procedures that will include cleaning all heat transfer surfaces and calibrating your equipment to operate at peak performance.

1.2. Operating Cost Saving

Crawford Company has aggregated buying power, which attracts huge purchasing discounts from major equipment manufacturers and support material vendors. This allows us to give you the lowest possible price on replacement parts, while providing the highest quality and efficient services and support systems available. As we implement this Planned Maintenance Program, system efficiency is returned to an optimum level. Operating costs and productivity losses are reduced to a minimum.

1.3. Elimination of Expensive Down Time

Proper functioning equipment means money in your pocket. This Planned Maintenance Program provides the manufacturers recommended maintenance tasking procedures for your equipment on a predetermined schedule. Our program reduces equipment failures, and costly equipment downtime while increasing employee productivity.

1.4. Extending Equipment Life

Crawford Company's Planned Maintenance Program keeps your equipment in optimum condition. This maintenance program is custom tailored to increase the life expectancy of your equipment over that of improperly maintained equipment. This results in the deferral of costly replacement expenditures.

1.5. Improved Indoor Air Quality

This program is designed to allow your equipment to operate within the original design environmental specifications they were engineered to provide. The first line of defense against possible perceived or real environmental complaints is proof of a verifiable maintenance program that provides for proper ventilation, filter changes, and comfort control. Our program will help you meet these challenges while providing an environment that is healthy for your tenants.

1.6. Increased Comfort Control

Consistent comfort control keeps your tenants happy which studies have shown increases productivity levels to peak performance.

1.7. Planned Maintenance Performed Around Your Schedule

We have incorporated your business and technical requirements into this maintenance program. Our call center automatically dispatches the manufacturers recommended maintenance tasking procedures for your equipment on a predetermined schedule that best meets both your business and your equipment requirements.

2. PROGRAM FEATURES

The implementation plan of your Planned Maintenance Program will include the following scope of service to be provided on the equipment described in the "List of Maintained Equipment" located in the Appendix A section of this agreement.

Scheduled Inspections: Crawford Company will provide four (4) Annual and (8) Operational inspections per year, which will be in accordance with the manufacturer's recommendations, equipment application and our own extensive experience. We will determine the proper maintenance tasking procedures, which our technicians precisely follow.

Our program includes all maintenance materials, gaskets, oils, and lubricants required to perform these inspections tasking procedures. Also included is belt replacement if they are found to be worn or broken.

Air Filter Maintenance: Included in your program are none (0) air filter changes per year. Crawford Company will provide the labor, materials, and disposal of the used filters.

Emergency and Trouble Call Coverage: Even with the comprehensive care provided in this program, occasional failures can occur. Although the cost of emergency service labor and materials are not included in this program, you will receive top priority trouble call response during peak heating or cooling periods. We will be on-site within 4 hours from receipt of your request. **You also will receive 15% off your parts and labor on these calls.**

Refrigerant Containment Service: We will use recovery, recycling and reclamation of your refrigerant as appropriate to minimize costs of replacement refrigerant. Such work will be done per all federal, state and local regulatory guidelines.

Service Documentation: We will document all scheduled and unscheduled service work showing the time, date, name of service technician, equipment identification and brief description of work. This documentation will be made available upon request.

Customer Assurance Review Evaluation (C.A.R.E.) Program: We will meet with you annually or more frequently upon request to evaluate and make modifications, if necessary, to this maintenance program to assure that it continues to meet both your business and technical requirements.

Additional Services: Non contract labor rates:

Regular working hours 7 to 4:30-----\$95.00
Overtime rates-----\$135.00

3.

YOUR PROGRAM INVESTMENT

This Planned Maintenance Program will be for an original term of 3 years, beginning on 4/1/2017. At the end of the original term of this agreement, the program will automatically renew from year to year unless either party gives written notice to the other with intent not to renew thirty (30) days prior to the anniversary date. Rock Island City Wastewater Plant's annual investment in this program is shown below:

TERM	PRICE	% ADJUSTMENTS
4/1/2017 - 3/31/2018	\$4,528.00	
4/1/2018 - 3/31/2019	\$4,576.00	1.50%
4/1/2019 - 3/31/2020	\$4,624.00	1.50%

The annual agreement prices shown above can only be adjusted if equipment is added or deleted from the original agreement. Price adjustments after the term of this agreement expires are discussed in the terms and conditions of this agreement.

Payments in the amount of **\$1,132.00** will be made on a **Quarterly** basis for the first year and in advance of any scheduled service. Recurring payments will be based on the annual amounts listed above. Payment terms will be thirty (30) days after date of invoice. Crawford Company reserves the right to discontinue its service anytime payments have not been made as agreed. Failure to make payments when due or impairment of customer's credit shall relieve Crawford Company of any and all obligations pertaining to work or performance of work.

PROPOSAL OFFERED BY: **Greg Meyers**
Service Manager

DATE: 12:23 _____

Rock Island City Wastewater Plant

Crawford Company

ACCEPTED BY: _____

ACCEPTED BY: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

4. TERMS AND CONDITIONS

- A. Planned and or routine maintenance services provided under this agreement will be performed during normal working hours.
- B. The guarantees and services provided under the scope of this agreement are conditioned upon Rock Island City Wastewater Plant operating and maintaining systems/equipment. Rock Island City Wastewater Plant will do so in according to industry accepted practices and in consideration of our recommendations.
- C. Rock Island City Wastewater Plant will provide and permit reasonable access to all covered equipment. Crawford Company will be allowed to start and stop equipment as necessary to perform its services and be permitted use of existing facilities and building services.
- D. This proposal assumes that all pieces of equipment are in proper operating condition. Crawford Company shall inspect and report to the Rock Island City Wastewater Plant any malfunctions and defects within thirty (30) days after commencement of the contract. If the equipment cannot be operated within the thirty (30) day period due to seasonal conditions or other factors beyond our control the period for initial inspection will be extended for a mutually agreed upon period. Upon completion of the inspection, it shall be the responsibility of Crawford Company to make recommendations and to assist the Rock Island City Wastewater Plant in restoring the equipment to proper operating condition. However, all of the restoration costs shall be borne by the Rock Island City Wastewater Plant unless otherwise stated in this proposal. Any piece of covered equipment will be excluded from liability if the reported recommendations from the inspection are not accepted and repair work performed.
- E. It is agreed that the costs of all repair, replacement components, and emergency services that may be provided during the term of this agreement shall be borne by Rock Island City Wastewater Plant in accordance with Crawford Company's currently established rates. In the case of refrigeration system such as walk-in boxes, reach-in boxes, etc., this agreement does not include the repair or replacement of hardware such as door handles closing mechanisms or related parts. These costs shall be borne by Rock Island City Wastewater Plant.
- F. Any repairs or services resulting from power failures, freezing, roof leaks through curbs or equipment, or air side corrosion will be paid for by the Rock Island City Wastewater Plant in accordance with Crawford Company's currently established rates.
- G. Under no circumstances will Crawford Company be responsible for loss of use, loss of profits, increased operating or maintenance expense, claims of Rock Island City Wastewater Plant's tenants or clients, or any special, indirect or consequential damages.
- H. The agreement does not include responsibility for system design deficiencies, such as, but not limited to poor air distribution, water flow imbalances, etc. It does not include responsibility for system, equipment and component obsolescence, electrical failures, unserviceable equipment, and operating the system(s).
- I. Crawford Company will not be liable for delays or failure to obligate due to fire, flood, strike, lockout, freezing, unavailability of material, riots, acts of god, or cause beyond reasonable control.
- J. Crawford Company is not responsible for the removal or disposal of any hazardous materials or any cost associated with these materials unless otherwise noted in this Agreement.
- K. The agreement does not include repairing any damage resulting from improper/inadequate water treatment or filter service not supplied by Crawford Company

- L. This agreement does not include any services occasioned by improper operation, negligence, vandalism, or alterations, modifications, abuse, or misuse, or repairs to equipment not performed Crawford Company. Also excluded is the furnishing of materials and supplies for painting or refurbishing equipment.
- M. Crawford Company shall not be required to furnish any items of equipment, labor, or make special tests recommended or required by insurance companies, Federal State Municipal or other authorities except as otherwise included in this Agreement.
- N. This agreement does not include the cleaning of any air passages, grilles, or air balancing of systems.
- O. In the event either party must commence a legal action in order to enforce any rights under this contract, the successful party shall be entitled to all court costs and reasonable attorney's fees as determined by the court for prosecuting and defending the claim, as the case may be.
- P. Crawford Company shall not be liable for the operation of the equipment nor for injuries to persons or damage to property, except those directly due to the negligent acts or omissions of its employees and in no event shall it be liable for consequential or speculative damages. It shall not be liable for expense incurred in removing, replacing or refinishing any part of the building structure necessary to the execution of this Agreement. It shall not be held liable for any loss by reason of strikes or labor troubles affecting its employees who perform the service called for herein. Delays in transportation, delays caused by priority or preference rating, or orders or regulations established by any government, authority, or by unusual delays in procuring supplies or for any other cause beyond its reasonable control.
- Q. Only Crawford Company's personnel or agent are authorized to perform the work included in the scope of this Agreement. Crawford Company may, at its option, cancel or waive its obligations under this Agreement should non-authorized individuals perform such work.
- R. This Agreement and all rights hereunder shall not be assignable unless approved by Crawford Company.
- S. In the event of additional freight, labor, or material costs resulting from a Rock Island City Wastewater Plant's request to avoid delays with respect to equipment warranties, or accelerated delivery of parts and supplies, Rock Island City Wastewater Plant agrees to pay these additional costs at Crawford Company's currently established rates.
- T. Crawford Company's scope of work shall not include the identification, detection, abatement, encapsulation or removal of asbestos or products or materials containing asbestos or similar hazardous substances. In the event Crawford Company encounters such material in performing its work, Crawford Company will have the right to discontinue work and remove its employees until the hazard is corrected or its determined no hazard exists.
- U. This Agreement contains the entire Contract and the parties hereby agree that this Agreement has been agreed to and the entire Agreement is then accepted and approved by an authorized person for both parties. No statement remarks agreement or, understanding, oral or written, not contained herein, will be recognized or enforced.
- V. This agreement does not include the disposal of hazardous waste; any charges incurred for their proper disposal will be born by Rock Island City Wastewater Plant as an extra to the contract price.

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- W. Rock Island City Wastewater Plant agrees that in the event that there shall have been passed a federal and/or state law which shall compel Crawford Company to contribute to a federal and/or state health plan for its employees, then the terms of this Agreement shall be subject to adjustment. Contract adjustment would reflect the cost of such mandated contributions and offset Crawford Company's cost of performing this contract.
- X. Rock Island City Wastewater Plant acknowledges and agrees that any purchase order issued by Rock Island City Wastewater Plant, in accordance with this Agreement, is intended only to establish payment authority for Rock Island City Wastewater Plant's internal accounting purposes. No purchase order shall be considered to be a counteroffer, amendment, modification, or other revision to the terms of this agreement. No term or condition included in Rock Island City Wastewater Plant's purchase order will have any force or effect.
- Y. Should the contract be canceled without due cause, Rock Island City Wastewater Plant shall pay Crawford Company 25% of the annual price in addition to any previous amount paid.

5. APPENDIX A - LIST OF MAINTAINED EQUIPMENT

The following HVAC equipment was identified during our survey and will be covered as a part of Rock Island City Wastewater Plant's Planned Maintenance Agreement.

The covered equipment is located at:

Rock Island City Wastewater Plant
 Mill Street
 Rock island, IL 61201

Unit ID	Quantity	Make	Model	Serial No.	Size	Location
HDT-TF HE175	1	Munters	HDT-TF-HE1750	108842-120711-003	1601K-22	ON GRADE
50-HRU-2	1	Munters	NA	NA	4601K-50	On roof
135-HRU-1	1	GREENHECK	ERH-20H-30	na	1601K-22	PLANT
50-RTU1, RTU2	2	CARRIER	50HC-A04A2A6	NA	3 tons	BUILDING 50