



THE CITY OF KEY WEST

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MEMORANDUM

**TO:** Jim Scholl, City Manager  
Greg Veliz, Assistant City Manager

**FROM:** Michael Turner, Deputy Director of Community Services

**DATE:** June 04, 2019

**SUBJECT: Approving the sole source purchase of annual service agreements with Johnson Controls for the City Hall air conditioning system, \$10,259 for the chillers servicing agreement, \$11,556 for the controls servicing agreement, for a total amount not to exceed \$21,815.**

**ACTION STATEMENT:**

Approving the purchase of annual service agreements from Johnson Controls on a sole source basis pursuant to Section 2-797(1) for brand name items in accordance with 2-844 of the Code of Ordinances for annual service agreements for the City Hall air conditioning system, \$10,259 for the chillers servicing agreement and \$11,556 for the controls servicing agreement, for a total amount not to exceed \$21,815.

**BACKGROUND:**

The Community Services request for annual servicing contracts for the City Hall air conditioning system was approved by the City Commission for Fiscal Year 2018-2019 for \$22,497.

There are 2 agreements for the servicing of the air conditioning system. One is for \$10,259 and it is for the maintenance of the chillers and the hardware of the system. The other agreement is for \$11,556 and is for the controls and software of the system.

**PURPOSE & JUSTIFICATION:**

The air conditioning system at City Hall is a very complex system. The servicing agreements will help keep the system running efficiently and identify potential issues that may arise. These servicing agreements will aid in recognizing issues early so that major and potentially very expensive problems can be avoided.

*Key to the Caribbean – Average yearly temperature 77° F.*

The procurement of the servicing agreements is on a sole source basis with the installer of the control system. It is Johnson Controls software and they are the only ones authorized to work on it.

**OPTIONS:**

- 1) Approve the purchase of annual service agreements from Johnson Controls for the City Hall air conditioning system for \$10,259 for the chillers agreement and \$11,556 for the controls agreement, for a total amount not to exceed \$21,815
- 2) Do not Approve the purchase of annual service agreements from Johnson Controls for the City Hall air conditioning system for \$10,259 for the chillers agreement and \$11,556 for the controls agreement for a total amount not to exceed \$21,815. This could cause potential damage to the system and costly repairs later if the system is not serviced properly and issues discovered and dealt with in a timely manner.

**FINANCIAL IMPACT:**

The servicing agreements are funded under General Fund/Facilities Maintenance/Other Contractual Services in Account No. 001-1909-541.64 for the amount of \$22,497.

**RECOMMENDATION:**

Staff recommends option 1, approve resolution authorizing the purchase of annual service agreements with Johnson Controls for \$10,259 for the chillers agreement and \$11,556 for the controls agreement, for a total amount not to exceed \$21,815.