

City Council Agenda Memo

From: Ashley Rentsch, Senior Finance Manager, and Michael Logan, Swiftel Center General Manager

Council Meeting: May 9, 2023

Subject: Resolution 23-045: Change Order No. 1, for the Swiftel Center HVAC System Upgrade from Johnson Controls, Inc.

Presenter: Michael Logan, Swiftel Center General Manager

Summary:

The Swiftel Center HVAC system upgrade is close to completion. This change order increases the contract amount by \$25,920, for a total project cost of \$1,451,086. The purpose of this change order is to remove two existing gas water heaters and replace them with two tankless instant hot water heaters.

Background:

In May 2022, the City Council approved Resolution 22-037 to award the bid to Johnson Controls Inc. in the amount of \$1,425,166.00, to complete a HVAC system and controls upgrade for the Swiftel Center. Upon demolition of the old equipment, it has been recommended to replace two arena hot water heaters due to their age and condition. Johnson Controls Inc. will furnish and install two tankless instant hot water heaters on the northeast and northwest sides of the arena. This change order would still be within the original do not exceed of 1,500,000.00.

Item Details:

Recommended Change Order:	
Original Contract Price:	\$1,425,166.00
Tankless Hot Water Heater Price:	<u>25,920.00</u>
Adjusted Contract Price:	\$1,451,086.00

Legal Consideration:

None.

Strategic Plan Consideration:

This action supports fiscal responsibility by properly maintaining city facilities and infrastructure.

Financial Consideration:

This change order increases project costs by \$25,920.

Options and Recommendation:

The City Council has the following options:

1. Approve as presented
2. Amend
3. Deny
4. Move the item to a Study Session
5. Discuss / take no action / table

Staff recommends approval of the resolution as presented.

Supporting Documentation:

Memo

Resolution

Change Order