



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

Item Creation Date:

WS925544115 - HVAC Replacement Services - ORDINANCE (TDIndustries, Inc.)

Agenda Item#:

### **Background:**

**S19-WS925544115 – Approve an ordinance authorizing a Derivative Agreement between the City of Houston and TDIndustries, Inc. in the maximum contract amount of \$25,000,000.00 for heating, ventilation, and air-conditioning (HVAC) replacement services through the Interlocal Agreement for Cooperative Purchasing with the Harris Department of Education (HCDE) for the General Services Department.**

### **Specific Explanation:**

The Director of the General Services Department and the Chief Procurement Officer recommend that City Council approve and authorize a derivative agreement for a **three-year term with two one-year options** between the City of Houston and **TDIndustries, Inc.** in the maximum contract amount of **\$25,000,000.00** for heating, ventilation, and air conditioning (HVAC) replacement services through the Interlocal Agreement for Cooperative Purchasing with the Harris County Department of Education (HCDE) for the General Services Department.

The scope of work requires the contractor to provide all labor, personnel, management, supervision, replacement parts, equipment, tools, materials, supplies, testing equipment, chemicals, associated components, expendable items, transportation, facilities, and permits necessary for HVAC replacement services, in a safe manner and in accordance with the most recent and effective HVAC guidelines and procedures.

The cooperative agreement will service facilities citywide on an as needed basis for the purpose of HVAC replacement services. Factors such as lead-time supply chain issues, and an unstable market values have had an adverse effect on GSD's ability to provide quality services to departments. Without this cooperative agreement option, GSD will continue to face challenges with fulfilling HVAC replacement work orders timely and within the budget. The agreement also allows GSD to take a proactive approach, rather than a reactive approach to HVAC equipment deficiencies. This agreement allows GSD to ensure city buildings remain operational and provide a healthy and safe environment for employees and citizens visiting city facilities.

This recommendation is made pursuant to subsection 271.102(c) of the Texas Local Government Code, which provides that "a local government that purchases goods or services from a cooperative purchasing program or organization satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services".

### **M/WBE Subcontracting:**

The derivative agreement is awarded as a specific goal-oriented contract with a 14% MWBE participation level. Brandt Companies, LLC has designated the below-named companies as its certified MWBE subcontractors.

<b>Subcontractor</b>	<b>Type of Work</b>	<b>Amount</b>	<b>MWBE Percentage</b>
Goes Sales of Texas d/b/a Goes Heating Systems	Boiler Equipment	\$400,000.00	1.60%
Houston Chem Safe d/b/a HCS Supplies	HVAC Equipment	\$750,000.00	3%
JD Amt, LLC d/b/a Advanced Mobile Technology	Electrical Equipment	\$200,000.00	.8%
S&S HVAC Equipment, LLC	HVAC Equipment	\$525,000.00	2.1%
Tiff Insulation	Drywall & Insulation	\$225,000.00	.9%
Vettrus Supply, LLC	HVAC Equipment	\$1,400,000.00	5.6%
<b>TOTAL</b>			<b>14%</b>

**Pay or Play Program:**

This procurement is exempt from the City's 'Pay or Play' Program because the department is utilizing an interlocal or Cooperative Agreement Purchasing Agreement for this purchase.

**Hire Houston First:**

This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the City is utilizing an Interlocal Agreement or Cooperative Purchasing Agreement for this purchase.

**Fiscal Note:**

Funding for this item is included in the FY2024 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:



6121834A077C41A...

1/29/2024

**Jedediah Greenfield**  
**Chief Procurement Officer**  
**Finance/Strategic Procurement Division**

**Department Approval Authority Signature**

**ESTIMATED SPENDING AUTHORITY**

Department	FY24	Out-Years	Total Amount
General Services Department	\$200,000.00	\$24,800,000.00	\$25,000,000.00

**Amount and Source of Funding:**

\$25,000,000.00 – Maintenance, Renewal and Replacement Fund (2105)

**Contact Information:**

NAME:	DEPARTMENT/DIVISION	PHONE
Barbara Fisher, Division Manager	FIN/SPD	832.393.8722
Carolyn Hanahan, Assistant Chief Policy Officer	FIN/SPD	832.393.9127
Jedediah Greenfield, Chief Procurement Officer	FIN/SPD	832.393.9126

**ATTACHMENTS:**

Description	Type
Ownership Information Form	Other
Tax Clearance Report	Other
Cooperative Agreement Approval	Other
MWBE OBO Approved Goal	Other
MWBE Participation Plan	Other
LOI - Goes Heating Systems	Other
LOI - Houston Chem Safe	Other
LOI - JD AMT	Other
LOI - S&S HVAC	Other
LOI - Tiff Insulation	Other
LOI - Vettrus Supply	Other
COI and Endorsements	Other
AM Best Ratings	Other
Drug Policy Forms	Other
TDI Omnia Partners Cooperative Agreement	Other
Funding	Financial Information
Conflict of Interest Questionnaire	Backup Material
Certificate of Interested Parties - Form 1295	Backup Material