



STAFF REPORT TO THE CITY COUNCIL

DATE: Special Meeting of July 29, 2025

TO: Members of the City Council

VIA: Dante Hall, City Manager

SUBMITTED BY: Glenn Dombeck, Public Works Director/City Engineer

SUBJECT: Award of a Contract to Valentine Heating and Air, Inc. for the Swim Center Heating Ventilation and Air Conditioning (HVAC) Replacement Project

RECOMMENDED ACTION:

Adopt a resolution authorizing the City Manager to execute a contract with Valentine Heating and Air, Inc. (Valentine) in the amount of \$151,100 for the Swim Center HVAC Replacement Project with an additional expenditure of up to \$15,100 for a 10% contingency on said contract, for a total not to exceed contract amount of \$166,200.

BACKGROUND:

Multiple quotes were solicited for the Swim Center HVAC Replacement Project pursuant to the City's purchasing regulations for general services. A total of 2 quotes were received, and Valentine Heating and Air, Inc. submitted the lower of the two in the amount of \$151,100.

	Company Name	Proposal
1	VALENTINE HEATING AND AIR, INC.	\$ 151,100.00
2	KEL-AIRE, INC.	\$ 278,000.00

Valentine is based in San Ramon, has been in business for 7 years, and has broad HVAC experience. Staff checked references and believes this company is qualified to complete the proposed services.

The project consists of the replacement of seven HVAC units at the swim center with new Heat Pump versions. Four units serve the gymnasium exclusively, the other three serve the offices. Existing equipment will be decommissioned and disposed, including recovery and proper disposal of any refrigerant in the AC units. High voltage electrical upgrades needed to support the HVAC work will be handled under separate contract. Support structure

systems in the attics currently in use to support the furnaces and indoor coils will be reused, condensate piping in the attic will be reused, and all existing plenums and ductwork will be reused, with transitions created as needed. New drain pans will be installed and gas lines and furnace flue piping will be capped off.

Completion of the replacement is anticipated to take approximately three months and the start date will be dependent upon availability of materials. Following the award of the contract, staff will meet with the contractor to confirm the schedule.

FISCAL IMPACT:

The proposed budget for the Swim Center HVAC Replacement Project is as follows:

Revenues:

General Fund/Capital Reserves	<u>\$223,489</u>
Total Revenue	\$223,489

Expenditures:

Construction Contract	\$151,100
10% Contingency	<u>\$15,100</u>
Total Expenditures	\$166,200

This project was identified in the 2025 Capital Improvement Program along with other Facilities improvements. In anticipation of the associated cost General Fund monies have been set aside to generate the needed funding. As a result of this advanced financial planning, there is sufficient funding available to cover the cost of this contract, which is included in the adopted FY 25-26 Budget.

Financial Impact

Description: Expenditure amount not to exceed \$166,200

Funding Source:

General Fund. Fund No. 300-5432-642.05-00

Budget Recap:

Total Estimated cost:	\$166,200	New Revenue:	\$
Amount Budgeted:	\$223,489	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

ATTACHMENTS:

1. Resolution