



City of Austin

Recommendation for Action

File #: 25-1838, **Agenda Item #:** 27.

9/11/2025

Posting Language

Authorize four contracts for HVAC preventative maintenance and corrective services and equipment for all City departments with JM Engineering, LLC, Lelam Holdings dba Climate Solutions, Si Mechanical LLC dba Si Mechanical, and TD Industries, Inc. dba TD Industries each for an initial term of two years with up to three 1-year extension options in amounts not to exceed \$58,150,000, divided among the contractors. Funding: \$969,167 is available in the Operating Budgets of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Financial Services Department.

Client Department(s)

All City Departments.

Fiscal Note

Funding in the amount of \$969,167 is available in the Fiscal Year 2024-2025 Operating Budget of various City departments.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued a Request for Proposals solicitation RFP 5000 SAR3010 for these goods and services. A solicitation was issued on March 3, 2025, and closed on May 6, 2025. Of the ten offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's website. This information can currently be found at

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=142117.

MBE/WBE:

This contract will be awarded in accordance with the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this solicitation, there were no subcontracting opportunities therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

These contracts will provide heating, ventilation, air conditioning, and refrigeration (HVAC), preventative maintenance and repair services on an as-needed basis for multiple City departments. In addition to

preventative maintenance and repair services, contract services will include upgrades to HVAC systems and equipment replacement.

These contracts replace an existing contract which will expire on October 5, 2025. Two of the recommended contractors are the current providers for these goods and services. JM Engineering, LLC is certified as a Women Owned Business, and a Small Business Enterprise. Austin Air Services, LLC is certified as a Minority Owned Business. The requested authorization is based on historical spending and departmental estimates of future needs.

An evaluation team with expertise in this area evaluated the offers and scored JM Engineering, LLC, Lelam Holdings dba Climate Solutions, Si Mechanical LLC dba Si Mechanical, and TD Industries, Inc. dba TD Industries as the best to provide these services based on methodology (project concept and strategy, services, preventative services, sustainability, safety), prior experience and qualifications, price, local business preference and small business preference.

If the contracts are not approved, the City will not have the ability to properly maintain HVAC systems to heat and cool City facilities.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	2 years	\$23,260,000
Optional Extension 1	1 year	\$11,630,000
Optional Extension 2	1 year	\$11,630,000
Optional Extension 3	1 year	\$11,630,000
Total	5 years	\$58,150,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.