RESOLUTION NO. 2025-208

RESOLUTION AUTHORIZING THE AWARD OF A PUBLIC CONTRACT ON AN EMERGENCY BASIS UNDER THE LOCAL PUBLIC CONTRACTS LAW

WHEREAS, on or about February 21, 2025, while Trane was in the process of implementing new controls and upgrades to the City Hall Building Automated System, coils essential to the operation of the cooling towers located on the roof of City Hall were damaged, rendering the air conditioning system for City Hall inoperable.

WHEREAS, The City notified Trane that it was going to hold Trane responsible for the repairs to the coils since Trane had exclusive control of the system while implementing improvements to the system; and

WHEREAS, meetings were held to assess the damage and develop a plan to correct the problem and it was determined that repair or repair of the cooling towers would take a minimum of 6 - 8 weeks; and

WHEREAS, Trane Rental Services, of 3600 Pammel Creek Road, La Crosse, WI, has agreed to provide a temporary cooling tower, at no cost to the City, to meet the cooling needs of City Hall for a period of 56 days while a permanent remedy is pursued; and

WHEREAS, neither party is waiving any of its rights or defenses against the other with respect to the damage to the cooling towers, except that Trane has agreed to it will not seek reimbursement of the costs of the temporary towers for the 56 day period while bids are solicited for the repair or replacement of the damaged cooling towers; and

WHEREAS, Trane provided the City with its standard customer contract, that could potentially result in certain expenses to the City such as delivery costs and similar costs; and

WHEREAS, the City will be responsible for damage to the equipment while onsite but Trane has notified the City that insurance is available that would cover the 56 day period at a cost of \$2,703.00; and

WHEREAS, with temperatures increasing and no alternative to provide air conditioning services to City Hall, the City is faced with the need to award a contract to Trane on an emergency basis to provide a temporary cooling tower to ensure that air conditioning services are provided at City Hall as quickly as possible; and

WHEREAS, the General Supervising Maintenance Repairer has notified the City Council President in writing of the emergency, including the nature of the emergency, the time of its occurrence, and the need to invoke the emergency provisions of the Local Public Contracts Law, N.J.S.A. 40A:11-6; and

WHEREAS, Council has determined that an actual emergency exists, and that delaying the award of a contract to address this emergency would endanger the public interest by leaving City Hall without air conditioning for up to two (2) months or longer; and

WHEREAS, Council has reviewed the details of the proposed provision of temporary cooling towers including the subject matter, value, and key terms, and has determined that the award of such contract is necessary and in the best interest of the City; and

WHEREAS, the City has determined that if the temporary cooling tower is needed beyond the initial 56 days, the City can extend the emergency contract, at a cost of \$15,000.00 per month, for such period of time as that equipment is needed until the existing cooling towers are repaired or replaced and operational; and

WHEREAS, the City Council has determined that the emergency was not created by prior governmental action or inaction, but rather resulted from unforeseen damage to the cooling towers.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Vineland that the Mayor and Clerk are authorized to execute an emergency agreement with Trane Rental Services, of 3600 Pammel Creek Road, La Crosse, WI, for the provision of a temporary cooling tower for a period of 56 days, pending submission and receipt of bids for repairs or replacement of the damaged cooling towers, with an option for rental of a temporary cooling tower after the initial 56 day period, if necessary, in accordance with N.J.S.A. 40A:11-1 et seq.

Adopted: April 22, 2025

ATTEST:

President of Council

pfs

City Clerk



Jay Hares Department of Administration Public Buildings 640 E. Wood Street Vineland, New Jersey 08360 jhares@vinelandcity.org

April 21, 2025

Re: Certification For Emergent Contracts Under the Local Public Contracts Law Cooling Tower

Dear Council President Spinelli:

I am writing to notify you of an emergency situation that necessitates the immediate award of a contract under the provisions of the Local Public Contracts Law. Below are the details of the emergency:

1. <u>Nature of the Emergency</u>. The cooling towers on the roof of City Hall have been damaged and are currently unusable. As a result, air conditioning will be unavailable in City Hall until the cooling towers are repaired or replaced, which could take 6 to 8 weeks, or longer from the time a contract is awarded by Council for the repair or replacement of the cooling towers. As temperatures rise over the coming weeks, the increased temperatures in City Hall will adversely affect the health, safety, and welfare of the public.

2. <u>Time of Occurrence</u>. The damage occurred on or about February 21, 2025. The City did not receive a proposal to provide a temporary solution to the problem until April 4, 2025, and has been in discussions with Trane since that time to clarify the proposal.

3. <u>Need for Invoking Emergency Provisions</u>. The damage was caused when a switch was improperly turned off, causing pipes in the cooling tower to freeze and burst. This occurred while Trane was implementing new controls and upgrades to the City Hall Building Automated System; the system that operates the heating/cooling system in City Hall. Since that time, representatives of the City have had several on-site and Zoom meetings with Trane representatives to discuss the nature of the damage, what will be required to make the towers operable, to determine responsibility for the damages, and the most effective way to address the problem in both the short term and long term. There is no way to repair the cooling towers quickly. There is also a question of whether the towers should be replaced, rather than repaired, considering the age of the towers. The most optimistic estimate to repair or replace the towers is 6 to 8 weeks, and possibly longer, from when a contract is awarded. During that time, City Hall will not

have air conditioning unless the City acquires the use of a temporary cooling tower that can meet the requirements to provide air conditioning services for City Hall.

Although Trane denies responsibility for the damage to the cooling towers (an issue that will be resolved at a later date), Trane Rental Services has offered to provide the City with a temporary cooling tower that will meet the needs of City Hall for up to 2 months (under their agreement, 28 days constitutes a month), with no mobilization or rental costs to the City during that time. Trane Rental Services will require the City to execute its standard rental documents, which include various indemnification and other provisions that could result in expenses to the City. I have solicited quotes from other vendors for the rental of a cooling tower and they cannot provide a tower on the same economic terms as Trane. The plan is that while this situation is addressed with the award of an emergency contract to Trane, the City will solicit bids for the repair or replacement of the cooling towers, with the bids to include an option to provide a temporary cooling tower while the existing towers are repair or replaced. This option would be necessary if the 2 months use of the temporary cooling tower from Trane expires before existing towers are repaired or replaced.

Given the urgency of the situation, I request authorization to proceed with awarding the necessary contract to Trane to address this emergency. If Council approves Trane's proposal, Trane has previously said that it anticipates that it can have a temporary cooling tower on site and operating within approximately one week.

In my opinion, this situation presents an emergency that needs to be addressed for the welfare of the employees in City Hall and others who come into City Hall for personal or business needs.

Respectfully,

Jay Hares General Supervising Maintenance Repairer

Cc: Clerk and Council

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