

COMMISSION FILE NO: 25-135-10 **DATE INTRODUCED:** October 13, 2025

INTRODUCED BY: Executive Director (Signature on File in the Office of the Commission)

REFERRED BY COMMISSION CHAIRPERSON TO: Policy, Finance, and Personnel Committee

RELATING TO: Change Order Request, Contract P-3043, Four-Year Heating, Ventilation, and Air Conditioning Maintenance Services, and Restore the Executive Director's Original Delegated Authority

SUMMARY:

The Commission is requested to authorize the Executive Director to execute a change order to Contract P-3043, Four-Year Heating, Ventilation, and Air Conditioning (HVAC) Maintenance Services, in an amount not to exceed \$50,000 with Zone Mechanical North, LLC, (Zone) and to restore the Executive Director's original delegated change order authority.

The original contract was for an amount not to exceed \$478,640 for on-call corrective and preventative maintenance services to the HVAC systems for the District's Headquarters and the Laboratory buildings from May 2022 through April 2026. Zone has been required to resolve many unplanned, sporadic issues with the HVAC system throughout this contract, including multiple emergency repairs. The emergency repairs outpaced previous contract terms; therefore, staff is seeking a change order to continue services through the duration of the contract.

Since 2022, Zone has made corrective and emergency repairs as follows:

- Repaired air handlers in both buildings.
- Replaced and serviced four condenser motors serviced and components in the Headquarters chiller.
- Replaced exhaust fan motor.
- Repaired boilers in both the Headquarters and Laboratory buildings.
- Rebuilt boiler in the Laboratory building.
- Repaired refrigerant leaks from the chillers in both the Headquarters and Laboratory buildings.

ATTACHMENTS: **BACKGROUND** ☐ **KEY ISSUES** ☐ **RESOLUTION** ☒

FISCAL NOTE ☒ **S/W/MBE** ☐ **OTHER** ☐ _____

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COMMITTEE ACTION: _____ **DATE:** _____

COMMISSION ACTION: _____ **DATE:** _____

SUMMARY (Cont'd)

Change Order Request, Contract P-3043, Four-Year Heating, Ventilation, and Air Conditioning Maintenance Services, and Restore the Executive Director's Original Delegated Authority

In May 2025, the Headquarters building was struck by lightning, which caused damage to the electrical system affecting the building's HVAC systems. This repair resulted in higher than anticipated emergency maintenance expenses.

The HVAC systems located at the Headquarters and the Laboratory buildings have been in operation for 20 to 30 years. The planned building remodel proposes to replace the Headquarters HVAC system; however, current systems must be maintained until that project begins in the upcoming years. The additional funds and restoration of the Executive Director change order authority are essential to ensure that repairs and maintenance of the HVAC system continue and to complete repairs should any additional unforeseen issues arise before a new maintenance contract is in place.

CONTRACT COST CHANGES

	AMOUNT	PERCENTAGE INCREASE OVER ORIGINAL CONTRACT	AUTHORIZED BY	SWMBE
Original Contract	\$478,640	0%	Commission	5%
Change Order 1 – Credit	-\$500	-0.11%	Executive Director	0%
Change Order 2	\$40,000	8.36%	Executive Director	5%
Requested Change Order	\$50,000	9.65%	Request of the Commission	5%
Total change Orders	\$89,500	18.7%	-	5%
TOTAL	\$568,140	-	-	5%

Commission policy delegates to the Executive Director the authority to 6contracts less than \$300,000 without Commission approval. Commission policy delegates if the contract and cumulative change orders exceed \$299,999, the Executive Director shall seek the approval of the Commission. Contract P-3043 was approved by Commission in April 2022. To date, change orders totaling \$40,000 under the Executive Director's authority have been executed, leaving \$10,000 in remaining authority. Professional Service contracts under \$500,000 awarded by the Commission typically provide the Executive Director with the authority to make changes of up to \$50,000. This request to delegate \$50,000 in authority to the Executive Director for Contract P-3043 is consistent with Commission policy and is necessary in case additional change orders are required.

RESOLUTION

Change Order Request, Contract P-3043, Four-Year Heating, Ventilation, and Air Conditioning Maintenance Services, and Restore the Executive Director's Original Delegated Authority

RESOLVED, by the Milwaukee Metropolitan Sewerage Commission, that the Executive Director is authorized to execute a change order to Contract P-3043, Four-Year Heating, Ventilation, and Air Conditioning Maintenance Services, in an amount not to exceed \$50,000 with Zone Mechanical North, LLC, and that the Executive Director's original delegated change order authority is restored.