

**HOUSING AUTHORITY OF NEW ORLEANS
BOARD OF COMMISSIONERS
REGULAR MEETING
MAY 28, 2020**

RESOLUTION NO. 2020-10

WHEREAS, the Housing Authority of New Orleans (HANO) issued RFP#19-913-10 to procure On Call Agency-Wide HVAC Services – 2019 on April 18, 2019; and

WHEREAS, HANO entered into Contract # 19-913-10 On Call Agency-Wide HVAC Services – 2019 with Tropical A/C and Heat, LLC (“Contract”) in an amount not to exceed \$54,090.79 per year on June 7, 2019; and

WHEREAS, after entering into Contract # 19-913-10, HANO started to experience a much higher than anticipated failure of HVAC units at all five Fischer AMPs. In addition, the HVAC units were reaching the end of their useful life, and they need to be converted from R22 refrigerant to 410A refrigerant; and

WHEREAS, the higher than anticipated failure of HVAC units and the need to convert units from R22 refrigerant to 410A refrigerant forced HANO to amend original contract two times to increase the contract amounts first to not-to-exceed \$75,000, and then to not-to-exceed \$149,000 in order to address all repair and replacement of HVAC units in occupied housing at Fischer, Florida, and the Scattered Sites; and

WHEREAS, HANO has now paid approximately \$140,000 to date under the Contract; and

WHEREAS, HANO contract number 19-913-10 has an option to extend the contract term for two additional one-year periods, if contractor has satisfactorily performed under the contract; and; and

WHEREAS, In this initial year, Tropical A/C and Heat, LLC has provided high quality on-call maintenance, repair, and replacement of HVAC units at all of HANO’s properties, and has been very responsive and expeditious in their repairs to minimize any disruption to our tenants; and

WHEREAS, HANO anticipates continued extensive need for maintenance, repair, and replacement of HVAC units at occupied housing at its properties during the summer months, and as it plans for wholesale replacement of HVAC units as a capital project;

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THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Housing Authority of New Orleans hereby approves the extension of contract #19-913-10 with Tropical A/C and Heat, LLC for one additional one-year period in an amount not to exceed \$149,000, effective June 7, 2020, and hereby authorizes the Executive Director to execute any and all documents necessary to effectuate the contract extension.

Executed this 28th Day of May, 2020

APPROVAL:

A handwritten signature in cursive script, appearing to read "Debra Joseph", is written over a horizontal line.

DEBRA JOSEPH
PRESIDENT, BOARD OF COMMISSIONERS



May 28, 2020

MEMORANDUM

**To: Board of Commissioners
President Debra Joseph, Vice President Isabel Barrios,
Commissioner Avery Foret, Commissioner Sharon Jasper,
Commissioner Carol Johnson, Commissioner Monika McKay,
Commissioner Hyma Moore, Commissioner Kim Piper and
Commissioner Bill Rouselle**

**Through: Evette Hester
Executive Director**

**From: Maggie Merrill
Director, Asset Management**

**Re: Approval to Exercise One Additional One-Year Option to
Contract #19-913-10, On-Call Agency-Wide HVAC Services – 2019 with
Tropical A/C and Heat, LLC**

On April 18, 2019, HANO issued RFP #19-913-10 for On Call Agency-Wide HVAC Services – 2019, and subsequently awarded Contract #19-913-10 to Tropical A/C and Heat, LLC on June 7, 2019, in the amount of \$54,090.79 per year. The contract amount was based on a trend analysis of common repair and replacement needs to the HVAC units at Fischer, the Scattered Site AMPs, and New Florida, along with anticipated unit failures at New Florida due to improper duct sizing.

The initial term of the contract is one year, with two additional one year options. The initial year contract expires on June 6, 2020. The additional one year options, if exercised by HANO, would expire on June 6, 2021 and June 6, 2022.

Soon after the award of the contract to Tropical A/C and Heat, LLC, HANO started to experience a much higher than anticipated failure of HVAC units at all five Fischer AMPs. In addition, the HVAC units were reaching the end of their useful life, and they need to be converted from R22 refrigerant to 410A refrigerant. In order to replace the HVAC units that were failing in occupied units, as well as conversion to 410A where warranted, we had to amend the original contract twice to increase the dollar amount. Amendment #1 on August 14, 2019 increased the contract to an amount not-to-exceed \$75,000, and Amendment #2 on November 14, 2019 increased the contract to an amount not-to-exceed \$149,000. HANO has now paid approximately \$140,000 to Tropical A/C and Heat, LLC under the contract.

In this initial year, Tropical A/C and Heat, LLC has provided high quality on-call maintenance, repair, and replacement of HVAC units at all of HANO's properties, and has been very responsive and expeditious in their repairs to minimize any disruption to our tenants. Based on the number of HVAC failures that we are experience across our portfolio, and the age of the existing HVAC units, we will be scoping and planning for wholesale replacement of HVAC units at our properties as a capital project. While we plan for that capital project, and as we move into the summer

months, we anticipate that we will continue to need extensive on-call maintenance, repair, and replacement HVAC services for our properties. Therefore, we request to exercise the first additional one-year option available under Contract #19-913-10, effective June 7, 2020.

HANO asks the Board of Commissioners of the Housing Authority of New Orleans to hereby approve the extension of contract #19-913-10, On Call Agency-Wide HVAC Services – 2019, with Tropical A/C and Heat, LLC for one additional one-year period, in an amount not to exceed \$149,000, and to authorize the Executive Director to execute any and all documents necessary to effectuate the contract.