

Issue Analysis Form

Date: 11/26/2019
Item: Appropriation – Human Services Boiler
Lead Department(s): General Services, Finance
Contact Person(s): Mike Purvis; Betsy Drewry



Description and Current Status

Human Services building HVAC replacement was submitted as a CIP project for the FY2021-2030 cycle. On Wednesday November 13, the heating system in the Human Services building was non-operational. The boiler went down and replacement parts are unavailable and the manufacturer is no longer in business.

Pricing was obtained for boiler replacement, pump system, and associated costs from Warwick Mechanical Group, the County's contracted HVAC company. Total pricing for boiler and pump system replacement, along with rental of temporary heating units and fuel tanks is \$75,427 (Cost Summary is shown as **Attachment A**).

Warwick Boiler - \$57,000
Warwick Pump System - \$9,012
Subtotal Warwick - \$66,012

Other Costs:
Spot Unit Rentals & Delivery - \$7,915
Fuel Tank Installation - \$1,500
Subtotal Other Costs – \$9,415

Because the boiler and pump system price is over \$50,000, the Board will need to formally authorize the award of contract. This purchase is not currently budgeted in the County's adopted budget and an appropriation is needed. The recommended funding source is an appropriation from the Capital Improvement Fund, Fund Balance from accumulated SNAP interest revenues (bond issuance Series 2018).

An appropriation of \$75,427 from the Capital Improvement Fund, Fund Balance is being recommended for approval.

Board Action Requested:

Authorize award of contract (purchase order) to Warwick Mechanical Group in the amount of \$66,012, other expenditures of \$9,415, and appropriation of \$75,427 funds from the CIP Fund, Fund Balance (SNAP Interest Series 2018).

Appropriation Entry

Revenues

0311-40-900-8208-399999 CIP Fund, Fund Balance \$75,427

Expenditures

0311-05-113-3199-48120 Human Services Boiler / HVAC - \$75,427

Government Path

Does this require IDA action? Yes No

Does this require BZA action? Yes No

Does This require Planning Commission Action? Yes No

Does this require Board of Supervisors action? Yes No

Does this require a public hearing? Yes No

If so, before what date? Yes No

Fiscal Impact Statement

CIP Fund, Fund Balance from SNAP accumulated interest from Series 2018 bonds will be used for this boiler and pump system replacement.

County Impact

Purchase of boiler and pump system will restore heating services to the Human Services Building.

Notes

Human Services Building Boiler Replacements Cost Analysis:

November 18, 2019

Warwick - New Boiler and Components = \$57,000.00

Warwick - New B&G Base Mounted Pump System = \$9,012.00

Lowe's - 15 Oil Electric Heaters purchased = \$750.00

(These will remain as owned by PG County)

Spot Coolers Company – 13 Spot Heaters Installed (Rental)

- Estimated Total Rental Cost for Two Weeks = \$7,540.00 (13 X \$580)
(\$290 per Week)
- Delivery Costs of Spot Heaters = \$375.00
(Rental began 11/13; estimate renting through 11/26)

Suburban Propane – Install 2 – 1,000 Gallon Tanks and install piping = \$1,500.00

Estimated Grand Total = \$76,177.00

Remove 15 Electric Heaters (750.00)

PROJECT TOTAL \$75,427.00

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 26th day of November, 2019:

Present:

Vote:

Donald R. Hunter, Chairman
Floyd M. Brown, Jr., Vice-Chairman
Alan R. Carmichael, Jr.
Marlene J. Waymack
T. J. Webb

A-8

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION; AWARD OF CONTRACT AND APPROPRIATION FROM CIP FUND, FUND BALANCE (\$75,427 HUMAN SERVICES BUILDING BOILER & PUMP SYSTEM)

WHEREAS, On November 13, 2019 the boiler in the Human Services Building became non-operational and **Warwick Mechanical Group**, the County's contracted HVAC company was contacted to provide pricing for replacement of boiler and pump unit; and

WHEREAS Warwick Mechanical Group provided a quote for boiler and pump system replacement totaling **\$66,012**, and other required expenditure costs (rental of spot heaters and propane tank installation) were compiled at \$9,415, for a grand total project cost of **\$75,427**; and

WHEREAS, \$75,427 is available from CIP Fund, Fund Balance from accumulated State Nonarbitrage Program (SNAP) interest from Series 2018 bonds; and

WHEREAS, Staff is requesting authorization for the County Administrator to approve a purchase order to Warwick Mechanical Group in the amount of \$66,012 and to expend \$9,415 for spot heater rental and propane tank installation to move forward with restoring heat to the Human Services Building.

NOW, THEREFORE, BE IT RESOLVED That the Board of the Supervisors of the County of Prince George this 26th day of November, 2019, hereby authorizes preparation of a purchase order for a new boiler and pump system totaling \$66,012 and expenditure of an additional \$9,415 for spot heater rental and propane tank installation.

NOW, THEREFORE BE IT FURTHER RESOLVED That the Board of Supervisors of the County of Prince George this 26th day of November, 2019, does hereby authorize and appropriate the following increase of funds within the 2019-2020 Budget, such line items increased as follows, which monies shall be expended for purposes authorized and approved by the Board of Supervisors of the County of Prince George:

<u>FUND/ORGANIZATION</u>		<u>AMOUNT</u>
Tourism Fund		
Expenditures:		
0311-05-113-3199-48120	CIP – Human Services Boiler & Pump System	\$75,427
Revenues:		
0311-40-900-8208-399999	CIP Fund, Fund Balance	\$75,427

A Copy Teste:

Percy C. Ashcraft
County Administrator