



VILLAGE OF ORLAND PARK

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Master

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Agenda Entry: Rec Admin HVAC Improvement Project - Trane
Turnkey

Final Action: 06/03/2024

Title: Rec Admin HVAC Improvement Project - Trane Turnkey

Notes:

Sponsors:

Res/Ord Date:

Attachments: Executive Summary-Rec Admin HVAC, Letter of
Commitment-Rec Admin HVAC

Res/Ord Number:

Drafter:

Hearing Date:

**Department
Contact:**

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
0	Public Works Department	05/23/2024	INTRODUCED TO BOARD	Board of Trustees			
0	Board of Trustees	06/03/2024	APPROVED				Pass

Text of Legislative File 2024-0418

..Title

Rec Admin HVAC Improvement Project - Trane Turnkey

History

The Orland Park Recreation Administration ("Rec Admin") building was constructed in 1982, and originally operated as a Police Department facility. Currently, the building houses approximately seventy-six (76) Village staff, including a recent influx of fifty (50) Athletic Operations admin and maintenance staff members. While several facility improvements have recently been completed or are nearing completion, including the ADA Ramp Replacement project, life safety and security upgrades, masonry repairs, and general office improvements, many other important building systems, including mechanical and HVAC systems, are original to the building.

As noted in the "2021 Facilities and Operations Master Plan", the existing Air Handling

Units (AHUs), which provide the main source of heating and cooling for the building, are beyond their American Society of Heating and Air-Conditioning Engineers (ASHRAE) serviceable life expectancy. Ongoing use of these AHUs will result in further decreased efficiency and reliability, and increased repair costs.

As such, the Public Works Department reached out to Trane, Inc., which offers “Turnkey Contracting and Engineering” HVAC solutions utilizing OMNIA Cooperative Contract (#3341). It should be noted that this same approach was utilized for the “Main Pumping Station Facility Improvement Project” in 2022, which came in underbudget and on time. Engineers from Trane subsequently visited Rec Admin with Public Works Facility staff members to inspect the building’s mechanical and HVAC systems. Trane proposed a single-phase approach to this project as outlined in the Trane Executive Summary titled “Recreation Administration Building - HVAC System Retrofit”.

This project would be completed in a single phase, and include the replacement of the two (2) existing Air Handling Units (AHUs) with high efficiency air-cooled chiller, thermal storage tanks, air handle unit and VAV boxes. Additional work includes the replacement of exhaust louvers, domestic water heaters, and condensate pump systems.

Under the proposed plan, the design for this project would be completed in 2024, while the actual construction would be completed in 2025 or 2026, depending on upcoming budget discussions.

A cost estimate for the design and construction work associated with this project is complete and currently being presented to the Board for review/approval. A summary of the project cost estimates is provided below:

Rec Admin HVAC Design Proposal: \$19,750.00

Rec Admin HVAC Design/Construction Cost Estimate: \$1,394,000

Inflation Reduction Act

It should be noted that this project would qualify for IRA (Inflation Reduction Act) ITC-48 (Investment Tax Credit) incentives. Incentives range from 30% to 40% of the project value credit to the Village after completion of project, meaning the potential incentive amount for this project could range from approximately \$418,000 to \$557,600. The actual ITC incentive is in the process of being verified by a 3rd party consultant. As a part of their scope of work, Trane will advise and assist with facilitating ITC application process and required support documentation.

Letter of Commitment

The next step in the Trane Turnkey process would be for the Village to provide a Letter of Commitment to Trane, Inc. for desired scopes of work. The Letter of Commitment would authorize Trane to move to the Proposal Stage, in which Trane would complete a full set of project design plans and provide the Village with a cost proposal for the execution of those plans based on OMNIA Racine Contract #3341.

As part of the Letter of Commitment for this project, which is attached for review, the Village would commit to reimburse Trane for the engineering costs of \$19,750.00 associated with the design plans if the project does not move forward with using Trane after the Proposal Stage. As the Village would own the engineering documents developed by Trane, should the Village opt to not move forward with Trane as the General Contractor for the project, the Village would be able to use those plans as bid documents. If the Village opts to move forward after the Proposal Stage with Trane, Inc. as the project General Contractor, then all associated engineering costs would be included in the stated proposal pricing.

Under this scenario, Trane, Inc. would act as the project engineer and general contractor, and the scope of work includes full construction management, mechanical/electrical/structural engineering, installation and subcontracting, material shipping and storage, and a one (1) year labor and materials warranty. As previously mentioned, this same approach was successfully utilized for the "Main Pumping Station Facility Improvement Project" in 2022.

Based on their initial scope estimates, the project cost estimate for the construction of this project is \$1,394,000.00. During the design processes, opportunities to reduce this cost will be factored. Permission to proceed with the final Rec Admin HVAC project plans and proposal from Trane, Inc. would require a separate review and approval by the Village Board of Trustees, which would occur after the 2025 budget review period is complete.

Financial Impact

Funding for the Rec Admin Engineering Costs are available in GL account 1008010-432500.

Funding for Rec Admin HVAC Improvements is currently not accounted for in the 5-Year Capital Budget. Based on the importance of these improvements, an adjustment to the Capital budget would need to be requested.

Recommended Action/Motion

I move to approve the use of the cooperative purchasing contract OMNIA Partners Trane Racine #3341;

AND

Approve the "Letter of Commitment" for the Orland Park Recreation Administration HVAC System Retrofit with Trane, Inc. dated May 2, 2024;

AND

Approve to reimburse Trane for the engineering costs of \$19,750.00 associated with the design plans if the project does not move forward with Trane after the Proposal Stage;

AND

Authorize the Village Manager to execute all related documents, subject to Village Attorney review.