



Office of the City Manager

CONSENT CALENDAR
January 27, 2026

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Terrance Davis, Director, Public Works

Subject: Contract No. 108037-1 Amendment: MSR Mechanical, LLC for on-call heating, ventilation and air conditioning services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract amendment with MSR Mechanical, LLC for on-call HVAC maintenance and repair to increase the contract amount by \$50,000 for a total contract amount not to exceed \$530,000.

FISCAL IMPACTS OF RECOMMENDATION

There are funds available in the adopted FY2026 Public Works Budget (Fund 673) for HVAC maintenance and repairs services. Contract 108037-1 is set to expire on March 31, 2026, and will not be extended past the expiration date.

CURRENT SITUATION AND ITS EFFECTS

MSR Mechanical LLC (MSR) provides a comprehensive range of on-call and emergency heating, ventilation and air conditioning (HVAC) services to support the Public Works Department. Services include inspection, trouble shooting, installation, maintenance and research into repairs or replacements. Timely inspection and maintenance of ventilation systems in City buildings is critical to ensuring optimum system performance.

Recently MSR performed a major HVAC repair and installation project for the City's Public Safety Building. This work was completed recently, but the costs associated with this work went unexpectedly above budget due to unforeseen repairs and parts needed. To complete payment on the already incurred costs, the department is asking for a contract amendment for the additional funds.

This contract will support the City's facilities and is in alignment with the City's Strategic Plan, advancing our goal to provide state-of-the-art, well-maintained infrastructure, amenities, and facilities.

BACKGROUND

The City contracted with MSR Mechanical in 2015. MSR has provided quality service throughout the duration of the contract. In May 2025, the City conducted a solicitation

for HVAC services and awarded contracts to two vendors, Matrix HG and Prime Mechanical. MSR Mechanical's contract is set to expire on March 31, 2026, though all service with MSR Mechanical has ceased upon the completion of HVAC work at the Public Safety Building in November 2025.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Regular maintenance and repair of HVAC systems is essential for optimizing performance, prolonging equipment lifespan, and minimizing environmental impacts. Well-maintained HVAC systems operate more efficiently, which leads to reduced energy consumption and carbon emissions. Regular service prevents the leaking of refrigerants into the atmosphere, which are damaging to the ozone layer and contribute to climate change. Optimized HVAC systems also improve indoor air quality and provide air circulation benefits.

RATIONALE FOR RECOMMENDATION

Required HVAC repairs and installation work has been completed at the Public Safety Building and this amendment allows the City to complete payment with MSR Mechanical. The City requires reliable and responsive HVAC maintenance and repair services to maintain the heating, ventilation and air-conditioning needs of City facilities.

ALTERNATIVE ACTIONS CONSIDERED

The City must remit payment, due to the completion of services. While the additional expenses were unexpected, funds are readily available and budgeted for HVAC services. The contractor is knowledgeable about and familiar with the City's equipment and has been highly responsive during emergency situations.

CONTACT PERSON

Joy Brown, Operations Manager, (510) 981-6629
Aaron Baker, Facilities Maintenance Superintendent, (510) 981-6452
Tucker Brofft, Senior Management Analyst, (510) 981-5375

Attachments:
1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 108037-1 AMENDMENT: MSR MECHANICAL, LLC FOR ON-CALL HEATING, VENTILATION AND AIR CONDITIONING SERVICES

WHEREAS, the City owns and operates buildings with heating, cooling and ventilation systems which regulate the temperature and quality of indoor air; and

WHEREAS, staff rely upon HVAC services provided by supplemental contractors to help maintain properly performing HVAC systems for optimal indoor air quality and reduced energy usage; and

WHEREAS, the City and MSR Mechanical, LLC entered into Contact No. 108037-1 for on-call and emergency HVAC services, effective November 9, 2015, and extended through June 30, 2022; and

WHEREAS, on May 31, 2022, Council authorized Resolution No. 70,393-N.S. to increase the contract by \$50,000 for a new not to exceed amount of \$130,000 and extend the contract term to June 30, 2024; and

WHEREAS, on October 10, 2023, Council authorized Resolution No. 71,075-N.S. to increase the contract by \$350,000 for a new not to exceed amount of \$480,000 and extend the contract term to June 30, 2025; and

WHEREAS, on May 20, 2025, City Manager authorized an extension to contract 108037-1 from an expiration date of June 30, 2025 to December 31, 2025; and

WHEREAS, on December 1, 2025, City Manager authorized an extension to contract 108037-1 from an expiration date of December 31, 2025, to March 31, 2026; and

WHEREAS, funding is available in the adopted FY2026 Public Works Budget (Fund 673) for HVAC maintenance and repairs services.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment with MSR Mechanical, LLC to provide on-call and emergency HVAC services for the City's HVAC systems, increasing the Contract amount by \$50,000 for a total contract not to exceed amount of \$530,000.

