



Legislation Text

File #: 19-1877, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management
AGENDA DATE: January 8, 2020
COUNCIL DISTRICT(S): All
DEPARTMENT: Office of Procurement Services
EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year service price agreement for emergency generator repair and maintenance for citywide use - LJ Power, Inc., lowest responsible bidder of three - Estimated amount of \$673,610 - Financing: General Fund (\$257,475), Dallas Water Utilities Fund (\$299,980), Communication Services Fund (\$43,085), Aviation Fund (\$28,125), Storm Drainage Management Operations Fund (\$20,260), Sanitation Operation Fund (\$13,155), and Convention and Event Services Fund (\$11,530)

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for service, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement. We anticipate the following City departments will use this agreement:

- Building Services Department
- Department of Aviation
- Department of Convention and Event Services
- Department of Information and Technology Services
- Department of Sanitation Services
- Fire-Rescue Department
- Park & Recreation Department
- Water Utilities Department

This three-year service price agreement provides maintenance and repair of emergency electrical power generators. Each year, an annual preventative maintenance service schedule is performed, followed by a quarterly preventative maintenance service schedule to ensure optimal operation. Repair services are provided when there is a problem which would impede the generator from performing at optimum efficiency.

This agreement will provide services for approximately 174 generators throughout the City.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a “living wage” rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.71; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 25, 2016, City Council authorized a three-year service contract for emergency generator repair and maintenance with Clifford Power Systems, Inc. and Allegiance Power Systems, Inc. by Resolution No. 16-0795.

FISCAL INFORMATION

General Fund - \$257,475.00 (Estimated amount)

Dallas Water Utilities Fund - \$299,980.00 (Estimated amount)

Communication Services Fund - \$43,085.00 (Estimated amount)

Aviation Fund - \$28,125.00 (Estimated amount)

Storm Drainage Management Operations Fund - \$20,260.00 (Estimated amount)

Sanitation Operation Fund - \$13,155.00 (Estimated amount)

Convention and Event Services Fund - \$11,530.00 (Estimated amount)

Fund	FY 2019-20	FY 2020-21	Future Years
General Fund	\$104,330.33	\$ 76,571.33	\$ 76,573.34
Dallas Water Utilities Fund	\$ 99,993.32	\$ 99,993.34	\$ 99,993.34
Communication Services Fund	\$ 14,631.67	\$ 14,631.67	\$ 14,631.66
Aviation Fund	\$ 9,375.00	\$ 9,375.00	\$ 9,375.00
Storm Drainage Management Operations Fund	\$ 6,753.34	\$ 6,753.33	\$ 6,753.33
Sanitation Operation Fund	\$ 4,385.00	\$ 4,385.00	\$ 4,385.00
Convention and Event Services Fund	\$ 3,000.00	\$ 3,000.00	\$ 5,530.00
Total	\$242,198.66	\$214,439.67	\$216,971.67

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$673,610.00	Other Services	N/A	N/A	N/A
• M/WBE goal waived due to no M/WBE availability				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none">• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements• Negotiations are not allowed
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The Office of Procurement Services received the following bids from solicitation number BN19-00010414. We opened them on July 12, 2019. We recommend the City Council award this service price agreement in its entirety to the lowest responsive and responsible bidder.

*Denotes successful bidder

<u>Bidders</u>	<u>Address</u>	<u>Amount</u>
*LJ Power, Inc.	12707 Nutty Brown Rd. Bldg. F Austin, TX 78737	\$673,610.00
Clifford Power Systems, Inc.	2916 National Dr. Garland, TX 75041	\$837,297.00
Double P Companies, Inc.	398 Tamplen Rd. Whitesboro, TX 76273	Non-responsive

OWNER

LJ Power, Inc.

Larry Davis, President
James Davis, Vice President