



Legislation Text

File #: 19-1946, **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 overhead and gantry crane periodic inspections, maintenance, repairs, and parts - Royal Arc Welding Co., lowest responsible bidder of two - Estimated amount of \$356,880 - Financing: General Fund (\$20,200), Equipment and Fleet Management Fund (\$12,890), Dallas Water Utilities Fund (\$268,775), Storm Drainage Management Operations Fund (\$15,915), Sanitation Operation Fund (\$35,200), and Aviation Fund (\$3,900)

BACKGROUND

This action does not encumber funds; the purpose of a service price agreement is to establish firm pricing for services, 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:

- Department of Aviation
- Department of Equipment and Fleet Management
- Department of Sanitation Services
- Fire-Rescue Department
- Park & Recreation Department
- Water Utilities Department

This service price agreement will provide periodic inspections, maintenance, repairs, and parts for overhead and gantry cranes. These cranes are installed at various locations throughout the City.

Periodic inspections and maintenance services are required for these cranes in order to remain in full compliance with all applicable American National Standards Institute and Occupational Safety and Health Administration standards, rules, and regulations. The frequency of service required on each crane varies due to the age, usage, and working conditions at the specific location.

These services will also help City staff to identify potential safety hazards in operation and placement of cranes. Work service log books and written reports are maintained by City staff for each inspection and repair as proof of compliance and protects City property from future liability.

Crane inspection requires specialized equipment designed for the inspection and testing of overhead and gantry cranes which will be provided on site by the vendor. Equipment will be verified by City staff in compliance with bid specifications.

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 January 13, 2016, City Council authorized a three-year service contract for periodic inspections, repairs, parts and preventive maintenance for overhead and gantry cranes with Royal Arc Welding Company by Resolution No. 16-0069.

FISCAL INFORMATION

General Fund - \$20,200.00

Equipment and Fleet Management Fund - \$12,890.00

Dallas Water Utilities Fund - \$268,775.00

Storm Drainage Management Operations Fund - \$15,915.00

Sanitation Operation Fund - \$35,200.00

Aviation Fund - \$3,900.00

Fund	FY 2020	FY 2021	Future Years
General Fund	\$ 6,733.33	\$ 6,733.33	\$ 6,733.34
Equipment and Fleet Management Fund	\$ 4,297.00	\$ 4,297.00	\$ 4,296.00
Dallas Water Utilities Fund	\$ 89,591.63	\$ 89,591.67	\$ 89,591.70
Storm Drainage Management Operations Fund	\$ 5,305.00	\$ 5,305.00	\$ 5,305.00
Sanitation Operation Fund	\$ 12,000.00	\$ 12,000.00	\$ 11,200.00
Aviation Fund	\$ 1,000.00	\$ 1,500.00	\$ 1,400.00
Total	\$118,926.96	\$119,427.00	\$118,526.04

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 \$
\$356,880.00	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 BF19-00011021. We opened them on October 3, 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>
*Royal Arc Welding Co.	23851 Vreeland Road Flat Rock, MI 48134	\$356,880.00
C & C Professional Services, Inc. dba Sherwood Lifting	918 Stanley Drive Suite A Euless, TX 76040	\$357,820.00

OWNER

Royal Arc Welding Co.

Rob Siemens, President
Joe Rosen, Vice President
Kristy Stapula, Secretary