



City Council Report

Date: May 4, 2015
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for Contractor Building Maintenance Services as requested by the Facilities Maintenance Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Dollar Limit Increase to the Term Contract for Contractor Building Maintenance Services as recommended.

The Facilities Maintenance Department and Purchasing recommend authorizing a dollar limit increase of \$600,000.00 with Builders Guild Inc.; Diamond Ridge Development Corporation; Jokake Construction Services; Hernandez Companies, Inc.; and East Valley Disaster Services, Inc.; increasing the annual contract amount from \$1,100,000.00 to \$1,700,000.00 for this contract year.

Background / Discussion

This contract provides experienced journeyman to perform a variety of tasks including rough and finish carpentry, remodel work - such as walls, ceilings, doors, windows, drywall, stairs, tile, masonry, concrete, electrical and mechanical repairs, and maintenance work at City facilities. The awarded vendors are on a Pre-Qualified Building Maintenance Contractors List, and are eligible to competitively quote for City building maintenance and repair projects.

On November 3, 2014, Council approved the initial three-year term contract for Contractor Building Maintenance Services to multiple vendors, not to cumulatively exceed \$1.1M.

Facilities Maintenance requests an increase to this contract at this time. The original annual contract amount of \$1.1M was a conservative estimate of infrastructure projects, and the Department is able to utilize this contract for more projects than they thought. With an annual budget of \$3.3M for building infrastructure replacements, Facilities Maintenance requests to re-purpose their budgeted funding to allow more cost-effective utilization of their funds. Facilities Maintenance is not requesting an increase to their budget.

Because of the size of this increase, Purchasing will be re-soliciting this contract to see if any other firms want to be considered to be added to the qualified vendors list. When that evaluation is finalized, Purchasing and Facilities Maintenance will bring the revised award to Council.

Alternatives

Council may choose not to authorize the increase.

Fiscal Impact

The annual contract amount is funded by Facilities Maintenance operating budget.

Coordinated With

Facilities Maintenance and Purchasing

PURCHASING INFORMATION

Action: Dollar Limit Increase

Procurement Type: Request for Proposals

Solicitation Number: 2014242

Responses Received: 7

Contract Term: 11/4/2014 through 11/3/2017

RFQ Responses received on August 28, 2014:

Builders Guild Inc. - Mesa, AZ (Awarded)

BWC Enterprises, Inc. dba Woodruff Construction - Phoenix, AZ

Carlson Building Company, Inc. - Mesa, AZ

Diamond Ridge Development Corporation - Peoria, AZ (Awarded)

East Valley Disaster Services, Inc. - Mesa, AZ (Awarded)

Hernandez Companies, Inc. - Phoenix, AZ (Awarded)

Jokake Construction Services - Phoenix, AZ (Awarded)

DOLLAR LIMIT INCREASE RECOMMENDATION

Description	
Contractor Building Maintenance Services per Terms and Conditions and Specifications	
<u>Pre-Qualified Vendors List:</u>	
Builders Guild Inc. - Mesa, AZ	
Diamond Ridge Development Corporation - Peoria, AZ	
Jokake Construction Services - Phoenix, AZ	
Hernandez Companies, Inc. - Phoenix, AZ	
East Valley Disaster Services, Inc. - Mesa, AZ	
Original Award 11/3/2014 – Current Limit	\$1,100,000.00
This Increase Request – 5/4/2015	<u>\$600,000.00</u>
New Amount for this Contract Year	<u>\$1,700,000.00</u>