



# City Council Report

**Date:** September 9, 2019  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** Three-Year Term Contract with Two Years of Renewal Options for Welding Certification and Inspection Services for the Energy Resources Department  
(Citywide)

## Recommendation

Council is requested to approve the award as recommended.

The Energy Resources Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Western Technologies, Inc. at \$250,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

## Background / Discussion

The primary use of this contract is to provide test certification of welder qualifications and weld inspections of maintenance and repair work performed on steel sections of the natural gas system by our Gas Utility welders and gas contractors working on capital improvement projects managed by the Engineering Department. The contractor must also be able to provide field x-ray services of welds performed on high pressure gas pipe per City Operation and Maintenance Procedures (General Welding Procedures).

The welding certification and inspection services provided to the City and to the awarded gas contractors are the same welding services regardless of the vendor providing the services. Apart from reducing the cost per inspected weld to \$350, there is no benefit to the City to use the awarded gas contractor's vendor to provide welding inspection services. This contract's advantage to the City is the weld inspection per unit cost would be reduced by \$200 per weld on capital improvement gas projects. Without this contract, Engineering would continue to have welding certification and inspection services for capital improvement projects provided by the awarded gas contractor at a higher cost to the City.

## Purchase Information

Action: Award  
Procurement Type: Request for Bids  
Contract Number: 2019243  
Local Consideration: Policy did not apply to this procurement method  
Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Up to a maximum of two years, renewals subject to Administrative review and approval

Funding Source: Energy Resources Department operating budget (Gas Utility – Gas Bond and Gas Operations and Maintenance)

**July 16, 2019 Responses**

Bid Tabulation available upon request

Continental Testing and Engineering, LLC  
Phoenix, AZ

Professional Certified Inspection, Inc.  
Phoenix, AZ

Western Technologies, Inc. (Recommended)  
Phoenix, AZ