



# City Council Report

**Date:** May 6, 2019  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** One-Year Renewal with a One-Year Renewal Option to the Term Contract for Anodeless Service Risers for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

## Recommendation

Council is requested to approve the contract renewal as recommended.

The Business Services Department and Purchasing recommend authorizing the renewal with R.W. Lyall & Company, Inc., at \$541,700 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

## Background / Discussion

This contract provides 1" and 2" anodeless service risers and pre-assembled ¾" anodeless service riser kits per specifications for new service installations and repair work by Energy Resources - Gas Utility. Materials and Supply places orders and maintains stock inventory as needed.

Anodeless service risers are the portion of the natural gas service line required to transition from the underground service piping to the customer's above-ground meter. They are specially designed to electrically isolate the customer's meter from the rest of the natural gas system for purposes of corrosion protection and to provide a protective casing for the internal polyethylene piping.

Lyall & Company, Inc., agreed to renew the contract under the same terms, conditions and new unit pricing, estimated quantities and updated specifications: 3.1, 5.1, 5.2, 5.3 and 8.1. The City attempted to resolicit this agreement but due to unacceptable exceptions and substantially higher prices, the City opted to cancel this solicitation and renew the current agreement. While the contractor required an 11% increase to its contracted rate, the rates provided were still over 35% lower than the lowest priced bidder under the new solicitation. The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

## Purchase Information

Action: Renewal (1<sup>st</sup> of 2 possible)  
Procurement Type: Request for Bids  
Contract Number: 2016148  
Responses Received: 4  
Original Council Award Date: 3/21/2016

Initial Contract Term: Three years

Funding Source: Materials and Supply operating budget through the Warehouse Internal Services Fund