



# City Council Report

**Date:** May 6, 2013  
**To:** City Council  
**Through:** Alex Deshuk, Manager of Technology and Innovation  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Alyce Benge, C.P.M., CPPO, Purchasing Administrator  
**Subject:** Dollar Limit Increase to the Term Contract for Storm Drain Grates and Manhole Covers for the Transportation Department (Citywide)

## Purpose and Recommendation

Council is requested to approve a dollar limit increase to the Term Contract for Storm Drain Grates and Manhole Covers as recommended.

Transportation and Purchasing recommend authorizing a dollar limit increase with Grate Solutions Co., Inc. dba GSC from \$84,031 to \$169,031, based on estimated requirements.

## Background / Discussion

This contract provides Maricopa Association of Governments (MAG) standard storm drain grates and manhole covers including, steel (Group 1), cast iron (Group 2) and manhole covers (Group 3). There are approximately 9,000 catch basins that convey storm water, irrigation tail water and water from storm events in the City, therefore, Transportation, Field Operations requires a variety of storm drain grates.

On October 17, 2011, Council approved the initial term contract for three years (11/1/2011 through 10/31/2014) with a two-year renewal option possible.

The City has recently experienced a large number of stolen storm drain grates that pose an extreme safety hazard to the travelling public, bicyclist and pedestrians. Transportation has expended \$71,000 five months into the second-year of the contract, which leaves \$13,000 for the remaining seven months.

Staff estimates a loss of 167 storm grates since January 1<sup>st</sup>; at this rate, the annual contract amount of \$84,031 is not adequate to replace all the stolen grates along with the new grates used under the welding contract.

## Alternatives

Council may choose not to authorize the increase.

## Fiscal Impact

The total amount of \$169,031 is available in the Transportation operating budget.

**Coordinated With**

Transportation and Purchasing

**PURCHASING INFORMATION**

Action: Change Order and Dollar Limit Increase

Procurement Type: Invitation for Bids

Solicitation Number: 2011199

Vendors Registered on Bid List: 7

Advertising: Arizona Republic, Bid Net, Record Reporter, Purchasing Website

Downloads: 9

Responses Received: 1

Contract Term: 11/1/2011 through 10/31/2014

**August 17, 2011 Bid Results:**

Grate Solutions Co., Inc. dba GSC  
Gilbert, AZ

Group 1 - \$54,635 (Awarded)  
Group 2 - \$18,225 (Awarded)  
Group 3 - \$4,375 (Awarded)

**DOLLAR LIMIT INCREASE RECOMMENDATION**

**Grate Solutions Co., Inc. dba GSC  
Gilbert, AZ**

<b>Description</b>	
Storm Drain Grates and Manhole Covers (Group 1/Steel – Items 1 to 6; Group 2/Cast Iron – Items 1 to 3; and Group 3/Manhole Covers – Items 1 – 4) per Specifications and Bid (Unit) Pricing as offered, including applicable taxes	
Original Award 10/17/2011 (Current Limit)	\$84,031
Increase Request 5/6/2013	<u>\$85,000</u>
<b>New Annual Contract Amount</b>	<b><u>\$169,031</u></b>