



City Council Report

Date: January 10, 2022
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Dollar Limit Increase to the Use of a Cooperative Contract for Six Months for Overhead Crane and Hoist Testing, Maintenance and Repair for the Water Resources Department **(Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Water Resources Department and Purchasing recommend increasing the dollar limit using the City of Tempe contract with Crane Care, Inc. by \$51,000, from \$24,000 to \$75,000 annually, based on estimated usage.

Background / Discussion

Management administratively approved the use of the City of Tempe cooperative contract for overhead crane and hoist inspections/repairs at \$24,000 annually on 2/9/2021. The cooperative contract was competitively bid and awarded and meets the City's procurement requirements. Water Resources and Purchasing have been working on a bid for this contract.

Water Resources currently has a 7.5-ton crane at the Greenfield Water Reclamation Plant Headworks that has sustained water damage. The cost estimate to perform the assessment is \$8,000. The assessment needs to be performed prior to the vendor providing a cost estimate for the repair.

Plant staff anticipates the crane repair will be costly. The dollar limit increase is for the crane repair and should be adequate for any remaining annual crane inspections, normal maintenance, and repairs through the end of the contract term, 6/23/2022.

Purchase Information

Action: Amendment
Procurement Type: Cooperative Contract Use
Contract Number: 2021150
Contracting Agency/Contract Number: City of Tempe/ RM16-127-01
Initial Contract Term: 2/9/2021 to 6/23/2022
Possible Renewals: One year subject to Administrative review and approval
Funding Source: Water and Wastewater Operations and Maintenance budget

Dollar Limit History

Management Original Award – 2/9/2021:	\$24,000.00
Dollar Limit Increase Request – 1/10/2022:	<u>\$51,000.00</u>
New Contract Amount (through 6/23/2022):	<u>\$75,000.00</u>