



City Council Report

Date: July 1, 2021
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.

A committee representing the Energy Resources Department and Purchasing evaluated responses. The evaluation committee recommends awarding the contract to the highest scored proposal from Western Technologies Inc. at \$300,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

Background / Discussion

This contract will provide certification of welder qualifications and weld inspections of maintenance and repair work performed on steel sections of the natural gas system by Gas Division welders and gas contractors working on capital improvement projects managed through Engineering.

The welding certification and inspection services provided to the City and the awarded gas contractors are the same welding services regardless of who is providing the services. Apart from reducing the cost per inspection, there is no benefit to the City to use the awarded gas contractor's vendor to provide welding inspection services. The advantage to the City using this contract is the weld inspection per unit cost will be reduced on capital improvement gas projects.

The City received two proposal responses of which both vendors met the minimum qualifications. The evaluation committee evaluated the proposal responses in accordance with the City's established policies and procedures. The evaluation committee completed the scoring of the responses against the scoring criteria in the solicitation. Award is recommended to the highest scored respondent. The evaluation was conducted, and points were awarded by consensus by the evaluation committee.

Purchase Information

Action: Award

Procurement Type: Request for Proposals

Contract Number: 2021173

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 subject to administrative review and approval

Funding Source: Enterprise Capital Project Funds – Gas Bonds, and Gas Utility Operations and Maintenance budget

Proposal Responses and Final Scoring

| Respondent | Total Points Possible / 100 |
|--|-----------------------------|
| Western Technologies Inc. - Phoenix, AZ (Recommended) | <u>94.00</u> |
| Double J Pipeline Services LLC - Show Low, AZ | 75.12 |

No Bid response received from:

Winsupply, Inc.