CITY COUNCIL ACTION REPORT

November 5, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
Susan A. Leirstein, Purchasing Director
Timothy L. Richnak, Public Works Director

SUBJECT: Contract Award: Informal Quote Process – Snow Removal Rental Equipment Including Operators

Background

- In September 2007, Purchasing began conducting market surveys to gather pricing information in order to establish snow removal equipment rates.
- Based on the outcome of the market survey, an informal quote process was conducted using the MITN system.
- 115 vendors were notified via the MITN System.
- On October 16, 2007, quotes were received for seasonal requirements of snow removal rental equipment including operators with an option to renew for one (1) additional season.
- Combined with the market survey and the MITN responses, a total of six (6) vendors responded. One vendor requested to withdraw due to prior contract commitments.
- Contract pricing was set by the company(s) offering the lowest price for each piece of equipment. All five (5) vendors agreed to meet the set contract prices.

Financial Considerations

- Funds are available in the operating budgets of the Streets Division for snow and ice control for local, major and county roads.
- Contract prices are the same as last year with the exception of the pick-up truck with minimum 8ft blade whose hourly rate dropped from $85.00 to $75.00 per hour.

Legal Considerations

- RFQ-COT 20710070, Seasonal Requirements of Snow Removal Rental Equipment including Operators with an option to renew for one (1) additional season was opened on October 16, 2007. The informal quote process and market survey resulted in five (5) vendors responding.
- Due to the variability of weather and fluctuating equipment availability, many companies do not bid on snow removal services. Therefore, the City hires additional contractors based upon the emergency provision powers of the City Manager.

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Re: Contract Award – Snow Removal Rental Equipment Including Operators

Policy Considerations

- Snow emergencies often require hiring additional companies to assist in the snow removal effort. (Goal I)
- All vendors were given the opportunity to respond with their level of interest in supplying services for the City of Troy. (Goal II)
- Pre-approval to extend contract prices to other contractors in times of snow emergencies, after the successful bidders have been employed, could speed the snow removal process. (Goal I, II)

Options

- City management recommends awarding contracts for one (1) season of snow removal rental equipment including operators with an option to renew for one (1) additional season to the following responsive vendors: Florence Cement Company, Deano Mac's Services LLC, Diponio Contracting, Sterling Topsoil and Grading, and Agra Landscaping, LLC at unit prices listed in Appendix A.

APPENDIX A

		Number of Units Company Can Provide				
Equipment	**Hourly Rate/Unit**	**Florence Cement Company**	**Deano Mac's Services**	**Diponio Contracting**	**Sterling Topsoil and Grading**	**Agra Landscaping**
Road Grader - 20,000 GVW	$ 150.00	3			1	
Front end Loader - 3 yd Capacity	$ 130.00			1	2	
Front end Loader - 5 yd Capacity	$ 140.00	5		2	1	
Pick up w/minimum 8ft Blade	$ 75.00	2	4			4

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