

Mayor and Council Communication

DATE: 11/12/19

M&C FILE NUMBER: M&C 19-0302

LOG NAME: 13P19-0170 PROPANE MAINTENANCE PMD LSJ

SUBJECT

Authorize Purchase Agreement with FerrellGas, L.P., for Propane Maintenance Services in an Amount Up to \$200,000.00 per Year and Authorize Four Annual Renewal Options for the Property Management Department (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council authorize a Purchase Agreement with FerrellGas, L.P., for propane maintenance services in an amount up to \$200,000.00 per year and authorize four annual renewal options for the Property Management Department.

DISCUSSION:

The Property Management Department (PMD) approached the Purchasing Division for assistance with obtaining repairs, maintenance, parts and components to repair or replace City-owned propane equipment. Purchasing Staff issued an Invitation to Bid (ITB) consisting of detailed specifications describing services, repairs, replacement, installation requirements and mandates of propane equipment. This bid was advertised in the Fort Worth Star-Telegram on June 26, 2019, July 3, 2019, July 10, 2019, and July 17, 2019. Thirteen vendors were solicited from the purchasing vendor database; a sole response was received.

Staff certifies that sole response from FerrellGas, L.P. meets the specifications and recommends awarding the agreement for propane maintenance and repair services.

PRICE ANALYSIS - The City of Fort Worth was awarded a North Texas Council of Government Grant in 2011 (C-24804) that was used to purchase and install new propane equipment. This is the first contract to repair the equipment purchased in 2011; therefore, there is no past price comparison for these services. No guarantee has been made that a specific amount of services will be performed, however PMD anticipates spending \$200,000.00 per year for the propane maintenance services.

An administrative change order or increase may be made by the City Manager in the amount up to \$50,000.00 and does not require specific City Council approval as long as sufficient funds have been appropriated.

M/WBE OFFICE - A waiver of the goal for MBE/SBE subcontracting requirements was requested by the Purchasing Division and approved by the M/WBE Office, in accordance with the BDE Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

Upon City Council approval, the Agreement shall begin upon execution of the Agreement and expire one year from that date.

RENEWAL OPTIONS - This Agreement may be renewed for four additional one-year renewal periods. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendations, funds are available in the current operating budget, as appropriated, in the General Fund and that, prior to an expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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