Legislation Details (With Text)

File #:	19-046	**Version:**	1	**Name:**	
Type:	Purchasing			**Status:**	Passed
File created:	1/7/2019			**In control:**	City Commission
On agenda:	2/5/2019			**Final action:**	2/5/2019
Title:	APPROVAL OF RESOLUTION NO. 27-19 TO AWARD A SOLE SOURCE AGREEMENT WITH SOUTHERN SEWER EQUIPMENT SALES AND SERVICE, INC. FOR VAC-CON AND SCHWARZE PARTS AND SERVICES - $50,000				
Sponsors:	Public Works Department - Fleet Division				
Indexes:					
Code sections:					
Attachments:	1. Agenda Cover Report, 2. SS2019-001 Agreement for Vac-Con and Schwarze Parts and Service, vendor executed, 3. Res 27-19, 4. Legal Review Checklist Vac Con and Schwarze Parts and Service, 5. Sole Source Approval - Vac-Con and Schwarze				

Date	Ver.	Action By	Action	Result
2/5/2019	1	City Commission	approved	

TO: **Mayor and Commissioners**
FROM: **Susan Goebel-Canning, PE Public Works Director**
Marjorie G Craig, PE, Utilities Director
THROUGH: **Mark R. Lauzier, City Manager**
DATE: **February 5, 2019**

APPROVAL OF RESOLUTION NO. 27-19 TO AWARD A SOLE SOURCE AGREEMENT WITH SOUTHERN SEWER EQUIPMENT SALES AND SERVICE, INC. FOR VAC-CON AND SCHWARZE PARTS AND SERVICES - $50,000

Recommended Action:

Motion to approve Resolution No. 27-19 to award a sole source agreement with Southern Sewer Equipment Sales and Service, Inc. for Vac-Con and Schwarze parts and services at an estimated cost of $50,000 and authorize the City Manager to approve renewal options, in the same amounts, contingent upon appropriation of funds.

Background:

The City of Delray Beach (City) Utilities Department operates four industrial vacuum trucks, used in water and sewer network operations, manufactured by Vac-Con, Inc (Vac-Con). Additionally, the City's Public Works Department operates two street sweepers manufactured by Schwarze Industries, Inc. (Schwarze). Southern Sewer Equipment Sales and Service, Inc. (SSES) is the only factory-authorized dealer for original equipment manufacturer (OEM) parts and service for both Vac-Con and Schwarze specialty vehicles. In December 2018, the City renewed SSES's designation as a sole source for Vac-Con and Schwarze OEM parts and service.

The agreement term will commence upon approval by City Commission and expire December 6, 2019. The agreement may be renewed for up to four additional years, subject to SSES remaining a

sole source factory-authorized dealer for Vac-Con and Schwarze OEM parts and service.

Staff forecasts that approximately $25,000 will be spent annually on preventive maintenance, minor repair parts, and related services. An additional $25,000 is anticipated for major and unexpected sublet repairs annually. Parts delivery and services will be performed by SSES per negotiated quotes on an as-needed basis. Should the City exercise all renewal options provided in the agreement, the cumulative agreement value is provided below.

Estimated Contract Value		
Initial Term	February 5, 2019 - Decembe	$50,000
Renewal Term 1:	December 7, 2019 - Decemb	$50,000
Renewal Term 2:	December 7, 2020 - Decemb	$50,000
Renewal Term 3:	December 7, 2021 - Decemb	$50,000
Renewal Term 4:	December 7, 2022 - Decemb	$50,000
$250,000		

Approximate historical expenditures on Vac-Con and Schwarze OEM parts and services by fiscal year is shown below.

Fiscal year 2016 - $25,685
Fiscal year 2017 - $57,005
Fiscal year 2018 - $15,255

This motion is in accordance with City Code of Ordinances Section 36.02, Commission Approval Required and Purchasing Policies; Limited or No Competition Acquisitions.

Attachments:
1. Agreement
2. Resolution
3. Legal Review Checklist
4. Approved Sole source Memo

City Attorney Review:
Approved as to form and legal sufficiency.

Funding Source:
Funding is available from 501-43-000-549.52-52 - Operating Supplies External Parts.