

Date of Action: 8/12/13	
Approved <input checked="" type="checkbox"/>	Denied <input type="checkbox"/>
By: <i>[Signature]</i>	

CITY COUNCIL ACTION MEMORANDUM

AM No. 13-24: Contract Award to Tew's, Inc. in the amount of \$293,119 for the City's FY2014 Equipment Rental with Operator Contract.

Originator: Public Works Director

Date: August 1, 2013

Agenda of: August 12, 2013

Route to:	Department Head	Signature	Date
X	Public Works Director	<i>[Signature]</i>	8/1/13
X	Finance Director	<i>[Signature]</i>	8-2-13
X	Deputy Administrator	<i>[Signature]</i>	8/2/13
X	City Clerk	<i>[Signature]</i>	8/5/13

Reviewed by Mayor Verne E. Rupright: *[Signature]*

Fiscal Impact: yes \$293,119

Funds Available: yes

Account name/number:

Road Maintenance	001-4320-432.40-91	153,119
Road Upgrading	160-4320-432.45-21	75,000
Septic Tank Replacement	310-4359-435.45-02	15,000
Sewer Repairs	310-4359-435.45-20	20,000
Water Repairs	320-4369-436.45-39	30,000

Attachments: Contract Provisions (3 pages)

Summary Statement: This project was advertised on July 12, 2013 for a bid opening on August 1, 2013 through ITB No. 0712-0-2013/AG. The following bids were received:

Tew's, Inc.	\$180,975
Big Dipper Excavating	\$232,330

This is an on-call equipment rental contract with operators for road maintenance and water/sewer repairs where the work is paid by the hour as directed by public works supervisors. The bid amount was based on estimated hours that may occur for various types of equipment. The award amount is based on budgeted amounts for FY2014.

Staff Recommendation: Adopt AM No. 13-24.

BIDDING AND CONTRACT PERFORMANCE

1. **INTRODUCTION:** The City of Wasilla Department of Public Works (herein referred to as WDPW) is seeking a qualified vendor to provide heavy equipment with operators that will be used to supplement the City heavy equipment fleet. WDPW utilizes contractor operated equipment to perform maintenance and/or repair work of its infrastructure when the required equipment is not owned or maintained by the City or the task is beyond the capability of city personnel and equipment. The contract resulting from this solicitation shall commence September 1, 2013 and terminate June 30, 2018 (5 years). Any exception to this solicitation must be noted in the Exceptions below.
2. **MINIMUM QUALIFICATIONS:** Bidders must have a minimum of ten (10) years prior successful experience performing heavy equipment work for commercial or government entities, and must be licensed to conduct business in the State of Alaska. *The successful bidder must own, or must be in possession of equipment under a lease agreement in contractor's name. No subcontracting will be allowed.* The successful bidder must provide proof of ownership, lease-purchase, and proper registration for all required equipment prior to notification of award. Upon award, bidder must be licensed to conduct business in the Matanuska Susitna Borough and City of Wasilla.
3. **BID SECURITY:** A \$500 bid bond, in the form of a certified check, cashiers check or Bid bond payable to the City of Wasilla, will be required with submission of the bid. The City will, within ten (10) days after the opening of the bids, return the deposit of all bidders except those posted by the three lowest acceptable bidders, whose deposit will be returned upon the final award and execution of the contract between the successful bidder and the City, and after a satisfactory payment bond has been executed.
4. **SCOPE OF SERVICES:** The contractor shall make available the necessary equipment to complete maintenance or repair work on the City's infrastructure as directed and scheduled by the Director of Public Works, Deputy Director of Public Works, Public Works Maintenance Supervisor, Public Works Water/Waste Water Supervisor (referred herein as DPW Personnel), or their designee. Examples of work may include but are not limited to snow removal, sanding, dust control, excavating, and repair or replacement of sections of the city's infrastructure which can include water mains, sanitary, and/or services, streets, and sidewalks located within the City right-of-way. The need for this equipment may or may not be under emergency circumstances. DPW Personnel may ask the contractor to provide a specific piece of equipment to complete a specific task or provide the scope of work to the contractor and recommend the equipment that will be brought to the job site to complete the task. It is expected that all equipment and labor provided will be furnished on a time (hourly or daily) basis according to the bid schedule provided. It is anticipated that the City will furnish all material to complete a task.
5. **SAFETY:** It is the city's intent to only have safe, well-trained, competent & professional employees assigned to this contract in order to meet the objectives. The contractor shall review the scope of services with each employee and ensure that each employee understands the work assignments, how to complete the assignments safely in accordance with applicable regulations (O.S.H.A., A.D.O.T., etc.) and how to comply with the city's requirements. The bidder shall be responsible for all training (including all safety training) of its staff including but not limited to ensuring that the staff is properly trained for the tasks they are or may be assigned. In addition, the contractor is responsible for any cross training that might be required, the

provision of any and all safety equipment that is (or may be needed), including but not limited to Personal Protective Equipment, any knowledge or skills testing, physical/medical exams, any subsequent and/or re-occurring training. All established rules and regulations set forth by the city shall be observed by all workers assigned to this contract by the contractor.

6. **EMERGENCY WORK:** If DPW Personnel declare an emergency maintenance or repair situation, the contractor shall mobilize and have the appropriate equipment available and onsite within two (2) hours of notification. As an example, the development of a sinkhole due to a ruptured water or sewer main within a city street or on city owned property creating an imminent risk of damage to adjacent privately owned property would be declared an emergency repair situation. Emergency work is an unforeseen incident that may occur at any time and may or may not be scheduled in advance with the contractor. Winter snow plowing and ice/snow removal are considered emergency work. The Contractor shall designate at least two (2) emergency response representatives and at least two 24-hour non-message telephone numbers. In the event a condition arises that the Bidder cannot provide service, he/she shall give (in writing) the Director of Public Works four (4) hours notification.
7. **NON-EMERGENCY WORK:** Non-emergency work response time is a considered routine maintenance and is scheduled with adequate advance notice. As an example, the planned replacement of a short section (1500 feet or less) of water or sewer main with street restoration within the repaired section could be considered non-emergency work. The City will normally provide or contract for the delivery of all principal materials to be used. It is expected that the contractor would provide all labor and equipment to complete the work.
8. **EQUIPMENT DELIVERY:** The City will only pay transport charges for haul-in and haul-out of crawler type equipment. Once equipment is unloaded, the transport will be released unless directed, in writing by WDPW Personnel to remain. The bidder shall be compensated for mobilization and demobilization of crawler type equipment by charging for the actual equipment used in mobilizing of hauling the equipment. No compensation will be made for the equipment that is actually being hauled until it is placed into actual productive operation.
9. **MINIMUM SAFETY EQUIPMENT:** All equipment under contract shall be equipped with a flashlight, operator personal protective equipment including but not limited to hard hat, safety glasses, gloves, OSHA approved footwear, an amber OSHA approved strobe warning beacon, OSHA approved back-up alarm, SMV symbol, seat belts, 2A10BC fire extinguisher, OSHA approved first aid kit, brakes, and all other equipment required to meet or exceed OSHA, DOT and local, state and federal safety regulations. Traffic flow around the work in progress shall be maintained by the Contractor. All work shall be accomplished with the traffic flow instead of opposing traffic. All traffic control measures shall be in accordance with the requirements of the current edition of the "Manual on Uniform Traffic Control Devices" and furnished by the Contractor. When hauling snow, trucks shall be outfitted with no less than an eighteen inch (18") side board extension on the off side only.
10. **EQUIPMENT BREAKDOWN:** In the event of breakdown of the bidder's equipment, contract will be required to obtain substitute equipment at no additional cost to the City.
11. **BURIED CABLES:** Bidder shall be responsible for all locates of buried cables and other utilities before proceeding with any project. The Bidder shall be solely responsible for any damages to utilities. If a buried

cable or cables is exposed during routine grading of the surface of City streets, the Contract shall immediately notify the City, in writing, noting the time, location and all other pertinent facts.

12. ROAD GRADING REQUIREMENTS: Contractor road grader operations shall during the course of operations, cut road surfaces to a depth equal to the depth of at least seventy-five percent (75%) of the pot holes in the road surface. The intent of these requirements is to preclude “feather-blading” and repetitive grading. Operators shall shape all grade roads to have a minimum of two percent (2%) slope from the crown or center of the road to the shoulder. Road grader operations failing to comply with these specifications as determined by the City inspector shall not be eligible for payment.

13. BASIS OF RATE CALCULATION: Equipment rental rates will cover rental per hour, with operator, and shall include all operating and maintenance costs associated with the equipment. Hourly rates include: depreciation, indirect ownership costs, major overhaul cost, fuel, lubricants, repair and labor and parts for maintenance. Service vehicle and service personnel shall be included in the rates. The contractor shall comply with all insurance, licenses, regulations and laws required by the State of Alaska and Federal government. *State of Alaska, Department of Labor, Title 36 wage rates will apply to some assignments (see Attachment A) thus the City is requiring completion of Schedule B of the Bid document.*

14. RIGHT TO PRICE INCREASE OR DECREASE: The hourly rate for the heavy equipment contract may be adjusted on a yearly basis for the cost of living increases or decreases tied to the CPI factor as determined yearly by the U.S. Department of Labor’s Bureau of Labor Statistics. The process of negotiating an increase or decrease shall include both parties prior to 30 days of the annual contract date and shall not be effective until a change order is distributed by the City of Wasilla Purchasing/Contracting Officer.

15. INVOICING: Invoices shall be submitted monthly. Standard payment terms are Net 30 Days from date of properly executed invoice, subject of verification of completion of services.

16. OBSERVED HOLIDAYS: The following days are holidays recognized by the City of Wasilla and contractor shall check with DPW Personnel for an exact schedule of when the City observes each holiday:

New Year’s Day	Washington’s Birthday	Seward’s Day	Independence Day
Memorial Day	Labor Day	Alaska Day	Veteran’s Day
Thanksgiving Day	Day after Thanksgiving	Christmas Day	