



# City of Galveston

FACILITIES DIRECTOR

Charles Kenworthy | 823 Rosenberg | Galveston, TX 77550  
[ckenworthy@galvestontx.gov](mailto:ckenworthy@galvestontx.gov) | 409-797-3719

**Date** February 23, 2023

**To:** City Manager  
Mayor and City Council Members

**From:** Charles Kenworthy, Facilities Director

**Project location:** Various City Facilities      **Project:** Standby Emergency Generator Maintenance Services

**Request:**

**Consider for approval, awarding Bid #23-04 Standby Emergency Generator Maintenance Services to Arcco Company Services, Land & Sea Services 1 Inc. and Express Power Services dba Generator Service Center for a term of (3) years with (2) one-year auto renewals authorizing the City Manager to execute the contracts upon review and approval of the City Attorney.**

**Prior Council Action**

In 2018, Council awarded Bid# 18-014 Standby Emergency Generator Services to Land & Sea Services Inc. for a term of 3 years with (2) 1-year extensions. The current contract has now expired thus necessitating the need for a new contract.

**Background**

- A) The City contracts out the service and repairs on all of the standby emergency generators that provide emergency power during a disruption of commercial power to various City facilities.
- B) There are currently 22 standby emergency generators in service at our critical use facilities that require routine and preventative maintenance. These locations are City Hall, Waste Water Treatment Plants, Water Pumping Stations, Fire Stations, Lift Station #1,





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McGuire Dent Recreation Center, Airport Control Tower and Terminal, Public Works Facility, City Garage, Trolley Barn and the Old MUD #1 facility.

- C) Inclement weather often disrupts the commercial power to these locations, putting these generators into service. Even though the required service has been maintained, we do periodically experience failures that cause the generator to shut down. These failures have ranged from control modules to fuel pumps.
- D) On January 4, 2023 Purchasing opened Bid# 23-04, receiving four responsive and one non-responsive bids. This bid is based on an as needed service.
- E) The companies that submitted responsive bids are as follows;
  - 1) Arcco Company Services Inc.
  - 2) Express Power Service Center dba Generator Service Center
  - 3) Land & Sea Services 1 Inc.
  - 4) L.J. Power/Geneserve
- F) Having prepositioned contracts in place for generator service companies that are in close proximity to Galveston is important when it relates to down time and having the ability to rapidly respond to requests for service in an emergency situation due to a generator failure.
- G) Arcco Company Services Inc. has presented the City with the lowest cost for the annual service that includes replacing the engine motor oil with new oil and replacing the oil and fuel filters. This company has submitted a mileage rate of \$.50 per mile.
- H) Land & Sea Services 1 Inc. has presented the City with the lowest cost for the three quarterly inspection services which include starting, testing and surveying the generator for any deficiencies that may be noted during the inspection process. This company has submitted a no cost for mileage.
- I) Arcco Company Services Inc. and Land & Sea Services 1 Inc. are located close to Galveston Bay and could potentially be affected by flooding and heavy damage if a major hurricane were to impact the area.





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J) In the event of a major weather event, it would be beneficial to have Express Power Services LLC dba Generator Service Center serve as a backup in case Arcco Company Services and Land & Sea 1 are not able to respond to the City of Galveston’s call for service. Express Power Services LLC currently has locations in Rosenberg and Humble, Texas.

**Fiscal Impact Report:** Funding Source is Maintenance Contracts

<b>Arcco Company Services Inc.</b>	
<b>Year</b>	<b>Annual Service Cost</b>
2023	\$20,605.00
2024	\$20,605.00
2025	\$20,605.00
Option Year 1	\$21,635.25
Option Year 2	\$22,717.00
Mileage cost per mile	.50
Travel Time	\$129.00 per hour
Labor Rate Normal Hours	\$129.00 per hour
Labor Rate After Hours/Saturday	\$129.00 per hour
Labor Rate Sundays/Holidays	\$189.00
List Price for Parts Discount	25%
List Price for Parts Markup	25%

<b>Land &amp; Sea Services 1 Inc.</b>	
<b>Year</b>	<b>3 Quarterly Inspections Annual Cost</b>
2023	\$13,200.00
2024	\$13,200.00
2025	\$13,200.00
Option Year 1	\$13,596.00
Option Year 2	\$14,003.88
Mileage cost per mile	0.0
Travel Time	\$100.00 per hour
Labor Rate Normal Hours	\$100.00 per hour
Labor Rate After Hours/Saturday	\$150.00 per hour
Labor Rate Sundays/Holidays	\$250.00
List Price for Parts Discount	10%
List Price for Parts Markup	10%





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## **Alternatives**

- A) Award Bid#23-04 Standby Emergency Generator Maintenance Services to Arcco Company Services Inc., Land & Sea Services 1 Inc. and Express Power Service LLC dba Generator Service Center for a term of (3) years with (2) one-year auto renewals, authorizing the City Manager to execute the contracts upon review and approval of the City Attorney.
- 1) Cost – Services will be distributed based on the lowest submitted costs for annual and quarterly inspections.
  - 2) Timing – As soon as possible
  - 3) Departmental Improvements – This contract will ensure that the City’s standby emergency generators are serviced and ready when commercial power is interrupted.
- B) Do not approve.
- 1) Cost –Cost will increase if awarded to one single bidder.
  - 2) Timing – A new contracts need to be in place prior to the start of hurricane season.
  - 3) Departmental Improvements – Utilize a vendor who is on a purchasing cooperative.

## **Staff Recommendation**

Approval of awarding Bid#23-04 Standby Emergency Generator Maintenance Services to Arcco Company Services Inc., Land & Sea Services 1 Inc. and Express Power Service LLC. dba Generator Service Center for a term of (3) years with (2) one-year auto renewals, authorizing the City Manager to execute the contracts upon review and approval of the City Attorney.

## **Attachments**

Council Documents  
Staff Report

