

# **City Council Report**

Date: April 7, 2014

To: City Council

**Through**: Alex Deshuk, Manager of Technology and Innovation

From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director

Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator

**Subject:** Three (3)-Year Term Contract for Mechanical Couplings for the Materials &

Supply Warehouse (for the Energy Resources Department) (Single Bid)

(Citywide)

# **Purpose and Recommendation**

Council is requested to approve the Term Contract for Mechanical Couplings as recommended.

Business Services, Energy Resources and Purchasing recommend awarding the contract to the qualified single bidder, R.W. Lyall & Company, Inc. at \$33,000 annually, based on estimated requirements.

# **Background / Discussion**

This contract will provide Lycofit mechanical couplings for new construction projects and the maintenance and repair of existing gas utilities. Gas Utility uses these mechanical fittings to connect polyethylene (PE) pipe in the City's natural gas system. Technical specifications require the mechanical fittings to comply with Federal Regulation 49 CPR 192 and the American Society for Testing and Materials (ASTM) Standard D-2513, including couplings, tees, elbows, caps and tapping tees. Materials & Supply orders and stocks the couplings for Gas Utility.

Only the Lycofit fitting as manufactured by R. W. Lyall & Company, Inc. is approved for use in the City of Mesa's natural gas distribution system.

The City opted to competitively re-bid this contract. R.W. Lyall was the only bidder for the new solicitation and offered very similar bid pricing as the previous contract. R.W. Lyall has been supplying the couplings on contract to the City since at least 2006 and was the only bidder on contracts in 2005 and 2011 as well.

# **Alternatives**

Council may choose not to authorize the purchase and new responses will be solicited.

### **Fiscal Impact**

The total amount of \$33,000 is available in the Materials & Supply operating budget through the Warehouse Internal Service Fund.

#### **Coordinated With**

Business Services - Materials & Supply, Energy Resources - Gas Utility and Purchasing

# **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2014127

Vendors Registered on Bid List: One

Advertising: Arizona Republic, Bid Net, Record Reporter, Purchasing Website

Downloads: Eleven Responses: One

Local Consideration: Not applicable as there were no Mesa responses.

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Two, one-year renewals subject to future Council consideration

Prices: Future price increases are capped by the Producer Price Index

Pricing Available to Other Cooperative Agencies: Yes

# February 13, 2014 Single Response:

RW Lyall Companyn Company, Inc. \$30,967.00 (Recommended)
Corona, CA

# AWARD RECOMMENDATION R.W. Lyall & Company, Inc. Corona, CA

# **Description**

LYCOFIT<sup>®</sup> Mechanical Couplings manufactured by R.W. Lyall & Company, Inc. per Terms and Conditions, Specifications and Pricing as offered, including 5.6% use tax

Annual Contract Amount: \$33,000