



City Council Report

Date: April 21, 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: Forty (40)-Month Term Contract for Maintenance, Repair and Operations Supplies for Citywide Use **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contract for Maintenance, Repair and Operations Supplies as recommended.

Business Services and Purchasing recommend authorizing a forty (40)-month term contract using the Maricopa County cooperative contract with Home Depot U.S.A., Inc. and HD Supply Facilities Maintenance, Ltd. at \$300,000 annually, based on estimated requirements.

Background / Discussion

This contract will supply City departments with maintenance, repair and operating supplies, and industrial supplies in a retail and wholesale (internet) environment.

This contract will supplement City of Mesa's current Term Contract for Industrial Supplies using the City of Tucson cooperative contract with Grainger. Providing both cooperative options is advantageous to the City by allowing it to leverage and compete two nationally bid contract rates for the best prices on these products.

Home Depot and HD Supply offer a robust selection of products in all MRO, hardware and building categories. Home Depot has six local stores in Mesa, provides volume pricing programs and tiered annual rebates to the City. HD Supply offers wholesale catalog discounts for various product categories and services. This contract will be advantageous to the City and it is in the City's best interest.

Maricopa County acted as the lead agency through solicitation 11019-RFP, awarded the initial three-year contract (8/1/2011 through 7/31/2014) on July 6, 2011; and approved the renewal contract (8/1/2014 through 12/31/2017) on December 19, 2013. Mesa is able to utilize this cooperative contract as Strategic Alliance for Volume Expenditures member.

Alternatives

Council may choose not to authorize using the cooperative contract.

Fiscal Impact

Purchasing has requested \$300,000 for this contract, based on citywide usage.

Coordinated With

Business Services - Purchasing

PURCHASING INFORMATION

Action: Award

Contracting Agency: Maricopa County

Contracting Agency Contract Number: 11019-RFP

Mesa Contract Number: 2014227

Initial Contract Term: Mesa 40-Month Contract (4/8/2014 through 7/31/2017)

Renewal Term: Maricopa County Three-Year (8/1/2014 through 7/31/2017)

Renewal Terms Remaining: None

AWARD RECOMMENDATION

Home Depot U.S.A., Inc.
Mesa, AZ

HD Supply Facilities Maintenance, Ltd.
Mesa, AZ

Description
<p>MRO (Maintenance, Repair and Operating) supplies, and Industrial supplies per Terms and Conditions, Specifications and Pricing as offered (Maricopa County 11019-RFP/SAVE)</p> <p>Annual Contract Amount: <u>\$300,000</u> (not to cumulatively exceed)</p>