



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: Six (6)-Month Renewal of the Term Contract for Industrial Supplies for the Materials and Supply Warehouse (for Citywide Use) **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Renewal of the Term Contract for Industrial Supplies as recommended.

Business Services and Purchasing recommend authorizing a six (6)-month renewal using the City of Tucson cooperative contract with Grainger at \$165,000, based on estimated requirements.

Background / Discussion

This contract supplies City departments with industrial supplies including, test instruments, hand tools and vehicle maintenance supplies, shelving and storage equipment, safety equipment and materials, power tools and metalworking, pneumatics and hydraulics and pumps and plumbing and HVAC equipment. (e.g., air circulator fans, sump pumps, drill bits, conspicuity tape, timers, ball valves, casters, hand trucks, eye wash stations, pressure gauges and hand tools).

In addition, this contract Grainger offers “vended inventory” equipment – an option that several City Departments utilize and others are interested in. The machines maintain stock of high volume, low cost items which are vended by Employee ID and PIN number. The system saves the City time and money from stocking these items individually at the warehouse and assists in tracking and reporting usage.

City of Tucson bid and awarded the contract on 12/29/2009, and approved extensions (1/1/2013 through 12/31/2013) on 11/16/2012, and (1/1/2014 through 12/31/2014) on 9/10/2013. Mesa is able to utilize this contract as a National IPA member.

Council approved the initial two-year contract (2/1/2011 through 12/31/2012) on January 24, 2011; authorized a one-year renewal (1/1/2013 through 12/31/2013) on January 14, 2013; and a six-month renewal (1/1/2014 through 6/30/2014) on December 2, 2013; utilizing the City of Tucson cooperative contract. This renewal contract (7/1/2014 through 12/31/2014) is renewing for the remaining six months of the Tucson contract. The City has been satisfied with the vendors’ performance and supplies. This contract continues to be advantageous to the City and it is in the City’s best interest to renew the contract.

Alternatives

Council may choose not to authorize the renewal and new bids will be obtained.

Fiscal Impact

Purchasing has requested \$165,000 for this renewal, based on citywide usage.

Coordinated With

Business Services - Materials & Supply and Purchasing

PURCHASING INFORMATION

Action: Renewal

Contracting Agency: City of Tucson

Contracting Agency Contract Number: 090188-01

Mesa Contract Number: 2011002

Initial Contract Term: 2/1/2011 through 12/31/2012

Renewal Term: Mesa Sixth (6)-Month (7/1/2014 through 12/31/2014), and Tucson One-Year (1/1/2014 through 12/31/2014)

Renewal Terms Remaining: None

RENEWAL RECOMMENDATION

Grainger
Gilbert, AZ

Description
Industrial Supplies for Citywide Use per Terms and Conditions, Specifications and Pricing as offered (National IPA/City of Tucson #090188-01)
Six (6)-Month Contract Amount: <u>\$165,000</u>