



City Council Report

Date: October 20, 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-Year Term Contract for Class 250 Residential Gas Meters for the for the Materials and Supply Warehouse (for the Energy Resources Department) (Citywide)

Purpose and Recommendation

Council is requested to approve the Term Contract for Class 250 Residential Gas Meters as recommended.

Business Services, Energy Resources and Purchasing recommend awarding the contract to the lowest priced, responsive and responsible bidder, Energy Economics, Inc. at \$252,200.00 annually, based on estimated requirements.

Background / Discussion

This contract will provide Class 250 residential gas meters for the City's natural gas distribution system for the purpose of measuring customer gas usage. The bid quantities are annual estimates based on past experience and anticipated usage. Meters will be ordered as needed throughout the term of the contract by Materials and Supply. Deliveries will be made to the East Mesa Service Center Warehouse.

Alternatives

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

Fiscal Impact

The annual contract amount is funded by the Warehouse Internal Service Fund.

Coordinated With

Business Services, Energy Resources – Gas Utility and Purchasing

PURCHASING INFORMATION

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2015032

Vendors Registered: ProcureAZ (25) and Vendor Self Service (8)

Advertising: Arizona Republic, Bid Net, ProcureAZ and Purchasing Website
Downloads: Nineteen
Responses: Three
Local Consideration: Not applicable as there were no Mesa responses
Protests Received: None
Initial Contract Term: Three years
Possible Renewals: Two, one-year renewal subject to future Council consideration
Prices: Future price increases are capped by the Producer Price Index
Pricing Available to Other Cooperative Agencies: Yes

September 2, 2014 Responses:

Energy Economics, Inc. Dodge Center, MN	\$224,400.00 (Recommended)
Tri-Pacific Supply, Inc. Rocklin, CA	\$275,472.00
Ittron, Inc. Liberty Lake, WA	\$326,832.00

AWARD RECOMMENDATION

Energy Economics, Inc.
Dodge Center, MN

Description
<p>Class 250 Residential Gas Meters per Terms and Conditions, GMS 7.4.1 250 Class Meters Specifications and Pricing as offered</p> <p>Bid Quantity 4,800 - Class 250 Gas Meters - \$49.75 / each less Trade-In of liked sized meter of any manufacturer – (\$3.00) / each</p> <p>Annual Contract Amount: <u>\$252,200.00</u> (includes 5.6% Use Tax)</p>