



City Council Report

Date: March 20, 2017
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Renewal of the Term Contract for Electrical, Lighting, and Telecommunications Equipment as requested by the Business Services Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the renewal of the Term Contract for Electrical, Lighting, and Telecommunications Equipment as recommended.

The Business Services Department and Purchasing recommend authorizing a contract renewal using the County of Los Angeles cooperative contract through the U.S. Communities nationwide cooperative with Graybar Electric at \$350,000.00 annually, based on estimated requirements.

Background / Discussion

This contract will provide tools, test equipment, and Maintenance, Repair and Operations (MRO) equipment in support of electrical, lighting, data/communications, networking and security for multiple City departments, including Transportation, Communications, Parks Recreation and Community Facilities, Information Technology, Fire and Medical, and the Materials and Supply Warehouse.

The County of Los Angeles, CA, as the lead agency, awarded a U.S. Communities cooperative contract to Graybar Electrical for an initial three-year term (from 4/1/2013 through 3/31/2016), then approved an amendment extending the contract through 3/31/2017. Recently an additional amendment was approved extending the contract through 3/31/2018; all other terms and conditions remain the same. Mesa is able to use this contract as a U.S. Communities member.

On September 14, 2015, Council approved a six-month term for electrical products through 3/31/2016 at \$75,000.00 using the County of Los Angeles cooperative contract. Due to higher than estimated usage, an increase request for \$25,000.00 was administratively approved on 11/2/2015 increasing the contract amount to \$100,000.00 through 3/31/2016. On March 14, 2016, Council approved a one-year renewal for \$200,000.00 annually through 3/31/2017.

The County of Los Angeles has renewed their contract with Graybar Electrical with no price increase through 3/31/2018. The City has purchased from Graybar for many years and is

highly satisfied with their product offering and available services. Graybar has 250 manufacturers (40,000 line items) on the core list of products based on the buying patterns of users, and offers a discount off list price ranging from 10% to 90% (general catalog equipment and supplies, tools, lighting, wire and cable, electrical, communications, and safety) plus free freight. The volumes and associated discounts on this contract allow the City to achieve deeper discounts than we believe would be possible through bidding our own contract.

Alternatives

Council may choose not to authorize the contract.

Fiscal Impact

The annual contract amount is funded by the various City Departments using the contract.

Coordinated With

Business Services and Purchasing

PURCHASING INFORMATION

Action: Renewal

Contracting Agency: County of Los Angeles through U.S. Communities

Contracting Agency Contract Number: MA-IS-1340234

Mesa Contract Number: 2016030

Renewal Term: One year

Renewal Terms Remaining: None

AWARD RECOMMENDATION

Graybar Electrical

Mesa, AZ

Description
Electrical, Lighting, and Telecommunications Equipment per Terms and Conditions, Specifications and Pricing per County of Los Angeles U.S. Communities Contract No. MA-IS-1340234
Annual Contract Amount: <u>\$350,000.00</u>