



City Council Report

Date: November 20, 2017
To: City Council
Through: Mike Kennington, Chief Financial Officer
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 Gas Service Regulators for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Term Contract for Gas Service Regulators as recommended.

The Business Services and Energy Resources Departments, and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Meter, Valve & Control, Inc. at \$86,100.00 annually, based on estimated requirements.

Background / Discussion

This contract will provide gas service regulators for new construction projects and maintenance and repair of existing facilities in the City's natural gas distribution system. Bid specifications require service type spring loaded, self-operated, pressure-reducing regulators with full capacity internal relief valves suitable for natural gas service in a gas distribution system. Materials and Supply will order and inventory these gas service regulators.

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 Materials and Supply operating budget through the Warehouse Internal Services Fund.

Coordinated With

Business Services – Materials and Supply, Energy Resources – Gas Utility and Purchasing

PURCHASING INFORMATION

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2018004

Vendors Registered: ProcureAZ (73) and Vendor Self Service (16)

Advertising: ProcureAZ and Purchasing Website

Downloads: 32

Responses: 2 (1 Non-Responsive)

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

September 27, 2017 Responses

Meter, Valve & Control, Inc.
Alamo, CA

\$81,477.60 (Recommended)

Tri Pacific Supply
Rocklin, CA

Non-Responsive - Belgas service regulators are not one of the approved manufacturers and models specified in City of Mesa GMS-6.1, 6.2, 6.3 and 6.4.

AWARD RECOMMENDATION

***Meter, Valve & Control, Inc.
Alamo, CA***

Description
Gas Service Regulators per Contract No. 2018004; Exhibits – Detailed Specifications and Technical Specifications, Pricing and Mesa Standard Terms and Conditions; Solicitation including any addenda; and Contractor Response
Annual Contract Amount: <u>\$86,100.00</u> (includes 5.6% Use Tax)