



City Council Report

Date: February 26, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Term Contract for Electrical Supplies for Process Controls and SCADA for the Water Resources and Parks, Recreation and Community Facilities Departments **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Water Resources, and Parks, Recreation and Community Facilities Departments, and Purchasing recommend authorizing the purchase using the City of Tempe cooperative contract with: Border States Industries, Inc.; Capital Electric Supply; Summit Electric Supply; and WESCO Distribution; for \$240,000 annually, based on estimated usage.

Background / Discussion

Summit Electric is an ACE distributor in AZ for large electrical items such as Schneider, Square D, Modicon, Wiremold and many others. The cooperative contract offers a 50% to 60% discount off list price for Square D products, 15% to 30% discount off list for Schneider Automation and 10% to 60% off list price from other quality manufacturers.

Water Resources currently declares Summit as sole source as they are the only ACE distributor in AZ for Schneider, Square D and Modicon. By having this cooperative contract in place, the City should not need to declare them as a sole source each year except for the renewal of their maintenance which this contract does not cover. Water Resources compared the Tempe contract to the State contract; the State does not cover Summit for the Square D and Modicon items as well as Graybar who is not an ACE distributor. Tempe awarded this cooperative contract to four vendors and Water Resources would like to utilize all four contractors.

The City of Tempe contract was competitively bid, meets procurement requirements and prices are competitive due to competitive volume contract pricing. It is unlikely that competitive bidding would result in better pricing than through this cooperative contract.

Purchase Information

Action: Award
Procurement Type: Cooperative Contract Use
Contract Number: 2018144

Contract Agency/Contract Number: City of Tempe/T16-101

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: One year

Possible Renewals: Two, one-year renewal options subject to Administrative review and approval

Funding Source: The purchase is funded in the Water Resources – Water and Wastewater O&M budget (\$200,000), and the Parks, Recreation and Community Facilities Department operating budget (\$40,000)