



City Council Report

Date: September 17, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal to the Term Contract for Heavy-Duty Appliances for the Fire and Medical Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Fire and Medical Department and Purchasing recommend authorizing the renewal with Spencer's TV & Appliance (a Mesa business) at \$50,000, based on estimated usage.

Background / Discussion

This contract provides for the delivery and installation of new heavy-duty appliances at Mesa's 20 Fire Stations and for 6 Fire and Medical Administration facilities, as needed. Fire and Medical's fire stations are staffed by personnel 24-hours a day, 7-days a week. Heavy-duty appliances such as dishwashers, refrigerators, stoves, washers and dryers and microwave ovens are furnished for each fire station.

This contract was originally bid in July 2015, but the bid was cancelled due to no responses. The contract was re-bid and two vendors responded, the current vendor (a Mesa business) and a vendor based out of Florida. The Florida vendor's pricing was higher, more than likely due to the cost of freight. The previous contract (2012) had four responses, two out-of-state vendors and two in-state vendors. Spencer's TV & Appliance was the lowest and most responsive bidder and was awarded that contract.

Spencer's TV & Appliance agreed to renew the contract under the same terms, conditions and current pricing. The Consumer Price Index (CPI) increased 0.4% over the last year. The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)
Procurement Type: Request for Bids
Contract Number: 2016036
Responses Received: 2
Original Council Award Date: 9/28/2015
Initial Contract Term: Three years
Funding Source: Fire and Medical Department operating budget.