



City Council Report

Date: October 15, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Three-Year Term Contract with Two Years of Renewal Options for Magnesium Anodes for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Business Services and Energy Resources Departments, and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Anode Sales Company at \$50,530 annually with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

Background / Discussion

This contract will provide 1 lb. and 32 lb. magnesium anodes for use in the City's natural gas distribution system. Anodes protect against galvanic corrosion of steel pipe. These anodes will be used by Gas Utility for new construction projects and the maintenance and repair of existing utilities. Materials and Supply places orders and maintains inventory as needed.

Purchase Information

Action: Award
Procurement Type: Request for Bids
Contract Number: 2019024
Local Consideration: Not applicable as there were no Mesa responses
Protests Received: None
Initial Contract Term: Three years
Possible Renewals: Up to a maximum of two years, renewals subject to Administrative review and approval
Funding Source: Materials and Supply operating budget through the Warehouse Internal Services Fund

September 10, 2018 Responses

Anode Sales Company Grand Junction, CO	\$47,850.00 (Recommended)
Energy Economics Inc. Dodge Center, MN	Non-Responsive – Vendor had unacceptable exceptions (pricing adjustments and shipping)