



City Council Report

Date: May 21, 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 for Metal Products for the New Signal Butte Water Treatment Plant (SBWTP) as requested by the Water Resources Department
(Single Response) (Citywide)

Recommendation

Council is requested to approve the award as recommended.

The Water Resources Department and Purchasing recommend awarding the contract to the single qualified, responsive and responsible bidder, Southwest Steel Sales, LLC; and authorizing the purchase using the City of Tempe, and State of Arizona cooperative contracts; with multiple vendors; for \$80,000.00 annually, based on estimated usage.

Background

This contract will provide various metal products (angle iron, flat bar, sheets, tube, pipe, rebar, and expanded metal) for the maintenance shops at the Water and Wastewater plants, and to stock the new shop at the SBWTP.

The City originally issued Request for Bid No. 2018158 and received no responses. Purchasing contacted vendors to find out why they didn't respond, and vendors said they could not bid and hold pricing for longer than 24 hours due to the volatility of the metal market.

The City then issued Request for Proposal 2018174 and received only one response. Contract No. 2018174 is recommending award to this single qualified, responsive, responsible bidder Southwest Steel Sales, LLC and is also awarding to include the use of cooperative contracts; with Southwest Steel Sales, LLC, American Metals, and Border Construction Specialties. Quotes from these vendors will be compared at the time of purchase.

Purchase Information

Action: Award
Procurement Type: Request for Proposals and Cooperative Contract Use
Contract Number: 2018174
Contracting Agencies/Contract Numbers:
City of Tempe/T163-022-01

State of Arizona, Department of Emergency and Military Affairs

DEMA15-084668 American Metals

DEMA15-084669 Southwest Steel Sales, LLC

DEMA15-084670 Border Construction Specialties

Local Consideration: Not applicable as there was a single response; and Policy does not apply to this procurement method (cooperative contracts)

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Up to a maximum of one (1), two (2) year period subject to Administrative review and approval

Funding Source: The purchase is funded in the Water Resources Department operating budget (Water Operations and Maintenance)

April 17, 2018 Single Response

Southwest Steel Sales, LLC - Phoenix, AZ

No Bid Response received from

FPF Industries – Phoenix, AZ

Reliance Metalcenter

AWARD RECOMMENDATION
<p>Metal Products per Agreement No. 2018174; Exhibits – Detailed Specifications, and Mesa Standard Terms and Conditions; Solicitation including any addenda; and Contractor Response</p> <p>and City of Tempe/T163-022-01, and State of Arizona, Department of Emergency and Military Affairs/DEMA15-084668, DEMA15-084669, and DEMA15-084670</p> <p>Annual Contract Amount: <u>\$80,000.00</u> (includes Taxes and Delivery)</p>