



City Council Report

Date: August 24, 2020
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for Meter Set Assemblies for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Business Services and Energy Resources Departments, and Purchasing recommend authorizing the renewal with Georg Fischer Central Plastics LLC at \$116,605 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index.

Background / Discussion

Energy Resources - Gas Utility uses meter set assemblies for new construction projects and the maintenance and repair of existing gas utilities in the City's natural gas distribution system. Technical specifications require the meter set assemblies comply with federal regulations and Mesa specifications. Materials and Supply places orders and maintains stock inventory as needed.

This contract is essential to Gas Utility's operations and projects. Georg Fischer Central Plastics, LLC has agreed to renew the contract with a \$7.00 per unit price increase, from \$52.28 to \$59.28 per assembly. This price is still significantly less than the bids received for this contract in 2017 (Border States \$67.71 and Tri-Pacific \$67.39). The vendor has been responsive and timely with their deliveries to the Warehouse. 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: 2017216
Original Council Award Date: 8/21/2017
Initial Contract Term: Three years
Possible Renewals: One-year renewal subject to Administrative review and approval
Funding Source: Business Services Department - Materials and Supply operating budget through the Warehouse Internal Services Fund