



# City Council Report

**Date:** July 10, 2023  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Kristy Garcia, Procurement Administrator  
**Subject:** One-Year Term Contract with Four Years of Renewal Options for Polyethylene Natural Gas Pipe and Fittings 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 bidders, Groebner; Border States Industries, Inc. dba Border States Electric Supply; and Tri-Pacific Supply, Inc.; at \$2,037,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

## Background / Discussion

Energy Resources – Gas Utility uses polyethylene natural gas pipe and fittings for newly installed intermediate natural gas mains and services and to replace aging infrastructure.

Based on the volatile pricing of polyethylene natural gas pipe and fittings, a firm fixed-price contract is not in the City's best interest. Vendors submitted manufacturer and part number information for products offered in the solicitation.

The City received three (3) bid responses. All respondents are deemed as qualified, responsive, and responsible, and being recommended for award. The awarded vendors are on a qualified vendors list and are eligible to respond to City requests for quotes throughout the supply period.

## Purchase Information

Action: Award  
Procurement Type: Request for Bids  
Contract Number: 2023272  
Local Consideration: Not applicable as there were no Mesa responses  
Protests Received: None

Initial Contract Term: One Year

Possible Renewals: Up to a maximum of four years subject to Administrative review and approval

Funding Source: Business Services Department - Materials and Supply operating budget through the Warehouse Internal Services Fund

**Bid Responses – June 14, 2023 (Recommended Qualified Vendors)**

Border States Industries, Inc.  
dba Border States Electric Supply  
Phoenix, AZ

Group A – \$790,666.51  
Group B – \$36,237.03  
Group C – \$11,136.50  
Group D – \$114,661.11

Groebner  
Rogers, MN

Group A – \$1,599,990.40  
Group B – \$27,010.70  
Group C – No Bid  
Group D – \$77,724.10

Tri-Pacific Supply, Inc.  
Rocklin, CA

Group A – No Bid  
Group B – No Bid  
Group C – No Bid  
Group D – \$69,430.52