



# City Council Report

**Date:** May 20, 2013  
**To:** City Council  
**Through:** Alex Deshuk, Manager of Technology and Innovation  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Alyce Benge, C.P.M., CPPO, Purchasing Administrator  
**Subject:** Purchase of High Pressure Coated Steel Pipe for Two Gas Main Replacement Projects (Attaway and Judd Replacement Project, and Skyline Drive and Quail Run Road) **(Magma Gas Service Area)**

## Purpose and Recommendation

Council is requested to approve a Contract to purchase high pressure coated steel pipe as recommended.

Energy Resources and Purchasing recommend awarding the contract to lowest, responsive and responsible bidder, Consolidated Pipe & Supply at \$629,833.20.

## Background / Discussion

This purchase will provide High Pressure Coated Steel Pipe for the Attaway & Judd Replacement Project (04-037-001) and Skyline Drive and Quail Run Road Project (07-026-001). These piping projects will replace an aging high pressure gas main in support of the City Magma gas system. The City only considered domestic pipe manufactured in the United States and coated per Mesa material specifications (GM-1.1, GM-1.3.1 and GM-1.3.2).

The total estimated bid quantities were designated for the installation project tentatively scheduled to begin 7/1/2013. The construction project could be delayed as much as 90 days. For this reason, the pricing pages contained two pricing options; the second of which may require the vendor to procure the pipe, have it coated, and store the pipe in a secured facility, protecting it from damage and ultraviolet exposure for a period of up to 90 days and deliver "as needed" to project site.

The City determined pricing Option 1 with delivery of the entire order to City, is in the best interest of the City. Option 2 included the same pipe but with deliveries on an as-needed basis to the project site.

36 vendors (including 3 Mesa vendors) were invited to submit a response, in addition to the standard advertising in the Arizona Republic, Bid Net, Record Reporter and the City of Mesa Purchasing website. 17 vendors downloaded the solicitation from the Purchasing website. 4 responses were received.

## **Alternatives**

Council may choose not to authorize the purchase and new responses will be solicited.

## **Fiscal Impact**

The total amount of \$629,833.20 is available in the Energy Resources budget through Enterprise Capital Project Funds (Gas Bond Construction).

## **Coordinated With**

Energy Resources – Gas Utility and Purchasing

## **PURCHASING INFORMATION**

Action: Award

Procurement Type: Request for Bids/Proposals

Solicitation Number: 2013036

Vendors Registered on Bid List: 36 (3 Mesa)

Advertising: Arizona Republic, Bid Net, Record Reporter, Purchasing Website

Downloads: 17

Protests Received: None

Cooperative: Pricing available to other public agencies

## **March 27, 2013 Responses:**

Consolidated Pipe & Supply Birmingham, AL	Option 1 (for 0.322") - \$629,833.20 (Recommended) Option 2 (for 0.322") - \$636,069.60
Thorson Keenan Phoenix, AZ	Option 1 (for 0.322") - \$631,317.60 Option 2 (for 0.322") - \$677,553.60
JD Fields & Company Inc. Brea, CA	Option 1 (for 0.277") - \$715,112.40 Option 2 (for 0.277") - \$753,008.40
Consolidated Pipe & Supply Birmingham, AL	Non-Responsive (does not meet delivery requirements)

**AWARD RECOMMENDATION**  
***Consolidated Pipe & Supply***  
**Birmingham, AL**

Description
Furnish High Pressure Coated Steel Pipe – Bid Option 1 Manufacture, Coat, and Deliver entire order to City of Mesa per Terms & Conditions, Specifications and Pricing as offered
8" 0.322" W.T., Gr X-42 Extruded Polyethylene Coated Steel Pipe - 14,880 L.F. @ \$21.44 / Unit
8" 0.322" W.T., Gr X-42 Powercrete Coated over FBE Coated Steel Pipe - 1,560 L.F. @ \$41.00 / Unit
6" 0.250" W.T., Gr X-42 Extruded Polyethylene Coated Steel Pipe - 4,800 L.F. @ \$13.49 / Unit
6" 0.250" W.T., Gr X-42 Powercrete Coated over FBE Coated Steel Pipe - 6,600 L.F. @ \$27.59 / Unit
<b>Total    <u>\$629,833.20</u> (Tax Exempt)</b>