



# City Council Report

**Date:** August 26, 2024  
**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-Year Renewal Options for Natural Gas Service Excess Flow Valves for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

## Recommendation

The Business Services Department and Procurement Services recommend awarding the contract to the lowest, responsive, and responsible bidders, Border States Industries, Inc. and Ferguson Enterprises, LLC. at \$468,000, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

## Background / Discussion

This contract will provide natural gas service Excess Flow Valves for new construction projects and maintenance and repair of existing utilities. Energy Resources – Gas Utility is required to install an excess flow valve on all new applicable residential service lines to comply with federal regulation. To maintain inventory, the Gas Division and Materials and Supply Warehouse have determined optimal inventory quantities to be stored in the warehouse.

The City received three (3) bid responses. Two (2) of the respondents were deemed as qualified, responsive and responsible, and are 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: 2025001  
Local Consideration: Not applicable as there were no Mesa responses  
Protests Received: None  
Initial Contract Term: One (1) year  
Possible Renewals: Up to a maximum of four (4) years subject to Administrative review and approval  
Funding Source: Materials and Supply operating budget through the Warehouse Internal Services Fund

## Bids Responses

Border States Industries, Inc. Tucson, AZ	\$391,697.70 (Recommended)
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Ferguson Enterprises, LLC. Phoenix, AZ	\$828,890.00 (Recommended)
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### No Bid responses were received from:

Tri Pacific Supply, Inc.

Winsupply C Phoenix AZ Co.

### Deemed as Non-Responsive:

Wilnat, Inc. (did not return the required vendor forms on time)