



City Council Report

Date: February 5, 2024
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for Industrial and Non-Industrial Equipment, Parts, and Supplies for the Department of Innovation and Technology **(Increase Funded by Community Development Block Grant Funds) (Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Department of Innovation and Technology, Community Services Department, and Purchasing recommend increasing the dollar limit with Consolidated Electrical Distributors dba Arizona Electrical Supply (a Mesa business); Elliott Electric Supply; Graybar Electric Company, Inc.; and Wesco Distribution, Inc., Year 3 by \$1,472,880, from \$2,740,000 to \$4,212,880 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract provides industrial and non-industrial equipment, parts, and supplies to multiple City departments including Water Resources, PRCF, Energy Resources, Transportation, Business Services, Utilities, Facilities Maintenance, Engineering, and Arts and Culture.

The City's 2023-2024 Community Development Block Grant (CDBG) plan, as amended and reported to Council on January 22, 2024, included a new project for Middle Mile connectivity to neighborhoods. This project utilizes City streetlight infrastructure to deliver gigabit broadband connectivity into neighborhoods in support of free public Wi-Fi as well as improvement of other City services in these neighborhoods.

This City has recently purchased "Broadband Luminaire" streetlights from this contract. The contract allows for federal procurements funded by CDBG grant funding. This Council action will increase Year 3's contract threshold for additional purchases for the new Middle Mile project with Arizona Electrical Supply (a Mesa business).

Purchase Information

Action: Amendment

Procurement Type: Request for Bids

Contract Number: 2021062

Quote Number: Q1047470 Revision 003 (11/29/2023)

Initial Contract Term: Three years

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

Funding Source: CDBG Block Grant Funds (\$1,472,880.00)

Dollar Limit History

Original Council Award - 5/3/2021 (Years 1 through 3):	\$2,470,000.00
This Increase Request for Year 3 - 2/5/2024:	<u>\$1,472,880.00</u>
New Contract Value (Year 3 through 5/3/2024):	<u>\$4,212,880.00</u>