PURCHASING ITEM
FOR
PUBLIC HOUSING AUTHORITY COMMISSION

1. Agenda Item Number: PHAC 2

2. PHAC Meeting Date: October 22, 2012

TO: **CHAIRMAN & COMMISSIONERS**

THROUGH: **CITY MANAGER**

3. Date Prepared: October `11, 2012

4. Requesting Department: City Manager – Neighborhood Resources – Housing

5. SUBJECT: Approve use of U.S. Communities Contract No. 11019-RFP with Home Depot and HD Supply Facilities Maintenance for the purchase of miscellaneous supplies and building materials and related services in an amount not to exceed $90,000.

6. RECOMMENDATION: Recommend approving use of U.S. Communities Contract No. 11019-RFP with Home Depot and HD Supply Facilities Maintenance for the purchase of miscellaneous supplies and building materials and related services in an amount not to exceed $90,000.

7. HISTORICAL BACKGROUND/DISCUSSION: City departments purchase miscellaneous supplies and building materials for daily maintenance operations from Home Depot and HD Supply Facilities Maintenance. Some of these items are not needed on a regular basis and therefore it is not advisable to stock these items in the City's Central Supply. Examples of items being purchased include lumber, nails, paint brushes, paints, nuts and bolts, cement, bathroom fixtures, hinges, closet doors, cabinets, wall board and garden supplies. The amount requested is based on a 12-month contract period beginning December 1, 2012. This memo represents the Housing Division's portion ($90,000) of the $250,000 citywide contract for which Council approval is being requested on October 25, 2012.

8. EVALUATION PROCESS: U.S. Communities Government Purchasing Alliance is a purchasing cooperative that reduces the costs of goods and services by aggregating the purchasing power of public agencies nationwide. U.S. Communities, with Maricopa County serving as the lead agency, competitively bid miscellaneous supplies, building materials and related services. Home Depot and HD Supply Facilities Maintenance were awarded the contract for these items. Benefits of utilizing this contract include access to volume pricing discounts, guaranteed lowest shelf prices, 2% annual purchase rebate (Home Depot), Chandler store locations, and installation, repairs and renovation services. In addition, City staff only makes purchases using their Purchasing Card, which increases the rebate for the Purchasing Card program. The current contract with U.S Communities was just rebid by Maricopa County and is good for three (3) years with the option to renew for three (3) additional one-year periods. This request is to utilize the existing U.S. Communities contract for a one year period beginning December 1, 2012.

9. FINANCIAL IMPLICATIONS: Funding for costs associated with this action will be derived from various Department of Housing and Urban Development (HUD) grants received by the Housing and Redevelopment Division.

10. PROPOSED MOTION: Move to approve use of U.S. Communities Contract No. 11019-RFP with Home Depot and HD Supply Facilities Maintenance for the purchase of miscellaneous supplies and building materials and related services in an amount not to exceed $90,000.

APPROVALS

11. Requesting Department	**12. Department Head**
Kurt Knutson	Jennifer Morrison
Kurt Knutson, Housing & Redevelopment Manager	Jennifer Morrison, Neighborhood Resources Director

13. Procurement Officer	14. City Manager
Kristy Garcia, CPPB	Rich Dlugas