



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

110

2. Council Meeting Date:

March 27, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: March 5, 2014

THROUGH: CITY MANAGER

4. Requesting Department:
Management Services

5. SUBJECT: Purchase of Industrial and Maintenance, Repair and Operations (MRO) Supplies including Electrical, Air Filters and Lighting

6. RECOMMENDATION: Recommend approval of the use of the State of Arizona Contract(s) for the purchase of Industrial and Maintenance, Repair and Operations (MRO) Supplies including Electrical, Air Filters and Lighting, with various vendors in a total amount not to exceed \$175,000.

7. BACKGROUND/DISCUSSION: The City's Central Supply Division stocks approximately sixty (60) types of HVAC filters for use by the Building & Facilities Division, the Housing Division and the Municipal Utilities Department. HVAC filters for all City owned buildings are replaced monthly.

Lighting supplies (lamps) are used throughout the City by Building & Facilities, Traffic Engineering and Parks. Lamps and ballasts are used for park areas, sports and security lighting, building interior and exterior lighting, and traffic lights.

The State of Arizona has had a statewide contract for HVAC filters and lighting for many years. The City has utilized these contracts due to the large volume pricing the State is able to secure. In previous years, the State had separate contracts for air filters and lighting. For the new contract year, the State combined these two items and awarded one contract. The City participated in the solicitation for the contract to include our usage and dollar volume.

8. EVALUATION PROCESS: In October 2013, the State Procurement Office issued a Request for Proposal (RFP) for Industrial and Maintenance, Repair and Operations (MRO) Supplies including electrical, air filters and lighting, and an award was made in January 2014 to sixteen vendors based on categories. The contract was awarded with an initial term of one year with options to renew for four additional one year terms. The RFP and evaluation process was conducted in accordance with established state policies and procedures and the contract award was made to the responsible Offeror(s) whose proposal was determined, in writing, to be the most advantageous to the State. Savings range from 50% up to 90% off list price and vendors offer online ordering for next day delivery, or in store pickup. City staff is also able to order using their Purchasing Card, which increases our rebate for the Purchasing Card Program. Staff is requesting a not to exceed amount of \$175,000 to cover anticipated purchases over the next year. The City has an approved Intergovernmental Agreement with the State of Arizona.

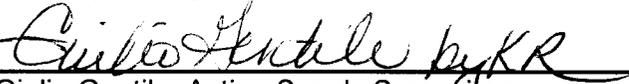
9. FINANCIAL IMPLICATIONS: Funds for Industrial and Maintenance, Repair and Operations (MRO) Supplies including electrical, air filters and lighting will be paid from various departments' machinery and equipment (5316), electrical (5329) and building repair and maintenance (5410) accounts.

10. PROPOSED MOTION: Move to approve the use of the State of Arizona Contract(s) for the purchase of Industrial and Maintenance, Repair and Operations (MRO) Supplies including Electrical, Air Filters and Lighting, with various vendors in a total amount not to exceed \$175,000.

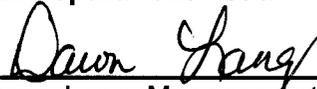
ATTACHMENT: List of vendors and awarded categories

APPROVALS

11. Requesting Department


Giulio Gentile, Acting Supply Supervisor
Central Supply

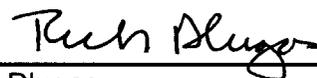
12. Department Head


Dawn Lang, Management Services Director

13. Procurement Officer


Kristy Garcia, CPPB

14. City Manager


Rich Dlugas

Effective January 31, 2014 the State Procurement Office awarded the following statewide contracts for Industrial and MRO Supplies

ADSPO14-064757	DL Sales Corp	(HVAC Filters)
ADSPO14-064760	Snap-On Industrial	(Hand Tools)
ADSPO14-064761	Lighting Unlimited	(Lighting)
ADSPO14-064762	Border States Industries	(Electrical, Lighting)
ADSPO14-064763	Fastenal Company	(All Categories)
ADSPO14-064764	MSC Industrial Supply	(All Categories)
ADSPO14-064765	KBAK dba Aire Filter Products	(HVAC Filters)
ADSPO14-064766	American Air Filter Company	(HVAC Filters)
ADSPO14-064767	WW Grainger, Inc.	(All Categories)
ADSPO14-064768	Electric Supply Inc.	(Electrical, Lighting)
ADSPO14-064769	Naughton Plumbing Sales Co.	(Adhesives/Sealants/Lubricants)
ADSPO14-064770	Voss Lighting	(Lighting)
ADSPO14-064771	West Lite Supply Co.	(Lighting)
ADSPO14-064772	Triggledigger	(Adhesives/Sealants/Lubricants)
ADSPO14-064773	WESCO Distribution/ Brown Wholesale Electric	(Electrical, Lighting)
ADSPO14-064775	Facilities Solutions Group	(Lighting)