



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

23

2. Council Meeting Date:

February 8, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: January 30, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Planning & Development

5. SUBJECT: Extend use of Apache Junction Unified School District #43 Contract No. 03-46-08 with Home Depot, Lowe's Home Improvement, Grainger, and Ace Hardware for the purchase of building materials, supplies and equipment in the amount not to exceed \$280,000.

6. RECOMMENDATION: Recommend extending the use of Apache Junction Unified School District #43 Contract No. 03-46-08 with Home Depot, Lowe's Home Improvement, Grainger, and Ace Hardware for the purchase of building materials, supplies and equipment in the amount not to exceed \$280,000.

7. HISTORICAL BACKGROUND/DISCUSSION: This contract was originally approved by the City Council in May, 2003. City departments establish Contract Purchase Orders with Home Depot, Lowe's Home Improvement, Grainger, and Ace Hardware to purchase miscellaneous building materials, supplies and equipment for unforeseen items needed for the day-to-day operation of the City. Some of these items are not purchased on a continuous basis and therefore not feasible to stock in the City's warehouse. Some of the items being purchased include lumber, nails, paint brushes, paints, nuts & bolts, cement, bathroom fixtures, hinges, closet doors, cabinets, wall board, landscape supplies, etc. Based on a 12-month period, expenditures with Home Depot, Lowe's Home Improvement, Grainger, and Ace Hardware have exceeded the bidding requirements established by the City and therefore require Council approval. An amount not to exceed \$280,000 is being requested to cover requirements during this contract period. \$140,000 of this contract is for Planning and Development's Housing and Redevelopment Division; the remainder of \$140,000 is designated for other City departments, with Building and Facilities and Transportation Operations being the major users of this agreement. This will be the City's fourth contractual period using this agreement. Apache Junction Unified School District #43 was the lead agency in procuring this agreement, which has an estimated \$8,000,000 in annual expenditure among the participating public entities.

8. EVALUATION PROCESS: Building materials, supplies and equipment have been bid by Apache Junction Unified School District #43. The use of the Apache Junction Unified School District #43 (as a SAVE Purchasing Cooperative member) contract eliminates the cost of going out for bid, and reduces the lead-time in obtaining the products. City staff recommends utilization of this contract for the purchase of building materials, supplies and equipment.

9. FINANCIAL IMPLICATIONS: Funding will be derived from various department's Maintenance, Repair, Capital and Operating Supplies, except for Housing which will utilize a portion from HUD funds.

10. PROPOSED MOTION: Move to extend use of Apache Junction Unified School District #43 Contract No. 03-46-08 with Home Depot, Lowe's Home Improvement, Grainger, and Ace Hardware for the purchase of building materials, supplies and equipment in an amount not to exceed \$280,000.

APPROVALS

11. Requesting Department

Kurt Knutson

Kurt Knutson, Housing & Redevelopment Manager

12. Department Head

Douglas Ballard

Douglas Ballard, Planning & Development Director

13. Buyer/Contract Admin.

Sharon Brause

Sharon Brause, CPPB, Purchasing Specialist

14. City Manager

W. Mark Pentz

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