



# City Council Report

AGENDA  
ITEM 6a  
DATE 9-14-09

**Date:** September 14, 2009  
**To:** City Council  
**Through:** Bryan Raines, Deputy City Manager  
**From:** Edward Quedens, Business Services Director  
**Subject:** Renewal of the Term Contract for Automotive Fasteners, Related Hardware and Electrical Supplies for the Fleet Services Department (Contract #2006151)  
"Citywide" contract

## Purpose and Recommendation

Council is requested to approve the two-year Renewal of the Term Contract for Automotive Fasteners, Related Hardware and Electrical Supplies as recommended. Renewal pricing was obtained and evaluated by the Fleet Services Department and Purchasing Division.

The Purchasing Division recommends authorizing the renewal of the contract to Southwestern Supply Company, Inc. at \$42,000.00 annually, based on estimated purchases.

## Background/Discussion

This contract will provide a variety of commonly used automotive repair items including bolts, nuts, screws, air brake tubing and brass fittings, terminals, cables and electrical wiring. A variety of types of parts are consolidated into this single contract to reduce administrative costs, and vendors are encouraged to bid the highest possible percent discount off published prices

Southwestern Supply Company, Inc.'s renewal quotation offers the same discount off list price, however the list price has increased an average of 11.6% for most product categories. This adjustment is permitted in the original bid specifications. Factors such as the rising global demand for raw materials, inflationary pressure and higher fuel and energy costs has forced the recommended vendor's manufacturer and supplier base to pass on substantial price increases and surcharges onto this vendor, and therefore, increasing the City's pricing. The overall renewal pricing continues to be market competitive, commensurate with current market conditions.

Southwestern Supply Company, Inc. has been performing satisfactorily under this contract, consistently supplying products which meet the City's specifications for the past three (3) years.

This term supply contract will be valid through September 30, 2011.

**Alternatives**

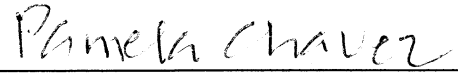
Council may choose not to award this contract and new bids will be obtained.

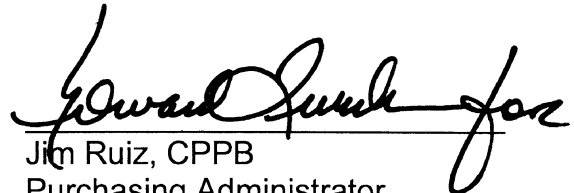
**Fiscal Impact**

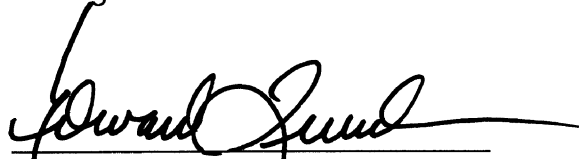
The total amount of \$42,000.00 is available in Fleet Services Department's budget.

**Coordinated With**

Fleet Services Department

  
\_\_\_\_\_  
Pamela Chavez,  
Management Assistant II

  
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Jim Ruiz, CPPB  
Purchasing Administrator

  
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Edward Quedens, CPPO, C.P.M.  
Business Services Director

  
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Bryan Raines,  
Deputy City Manager

**CITY OF MESA  
RENEWAL RECOMMENDATION  
FASTENERS, AUTOMOTIVE RELATED HARDWARE AND ELECTRICAL SUPPLIES  
(REQUEST FOR BID #2006151)  
Contract Valid through September 30, 2011**

**Southwestern Supply Company, Inc.  
Mesa, AZ**

<b>Description</b>	<b>Annual Contract</b>
Term Contract to include, Bolts, Nuts Screws and Allied Fasteners; Machine Screws and Nuts, all head types, stove bolts and nuts; Electric Primary Wire; Battery and Starter Cable; Bulk Trailer Cable; Battery Terminals; Nylon Cable Ties (Natural); Wire Loom; Heat Shrink Tubing	<b>\$42,000.00</b>