

Agenda Report

TO: CITY COUNCIL **DATE:** MARCH 9, 1998

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO AMEND CONTRACTS 15849 WITH
SOUTHWEST POWER, INC., AND 15850 WITH UTILITY PRODUCTS
SUPPLY COMPANY FOR FURNISHING MISCELLANEOUS
ELECTRICAL UTILITY MATERIAL

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to extend Contract number 15,849 with Southwest Power, Inc., and Contract number 15,850 with Utility Products Supply Company for furnishing miscellaneous electrical utility materials, for a period of one year or until the City expends \$375,000, and \$75,000 respectively.

BACKGROUND

In September 1995, Specifications LD-95-2 was issued in order to meet the Water & Power Department's annual requirements for overhead and underground electric utility materials, such as; conduit, insulators, clamps, switches, connectors. The purpose of the specifications was to eliminate the use of multiple one-time purchase orders (over 150 a year) in favor of fixed price, long-term supply contracts.

In August 1994, as a result of the bid process, City Council authorized contracts with Southwest Power Inc., and Utility Products Supply Company. The specifications provided that the contracts could be extended for up to two, one-year periods subject to the approval of the City Council. In November 1996, the City Council authorized the first possible extensions.

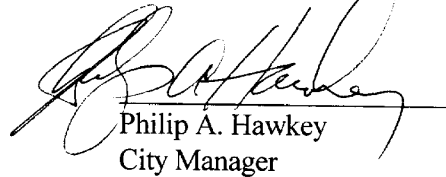
As there is a continuing need for items provided for under these Contracts, staff recommends exercising the option for the second and final extension periods. As provided for under the specifications, Southwest Power Inc., has requested an across-the-board 3% increase for the categories of materials furnished by it under the contract. Staff has considered the request and found it reasonable. Utility Products Supply Company has not requested any increase. Extending these contracts will enable the Department to continue procuring needed material in the most efficient manner available.

The proposed contract extension is in compliance with the Competitive Bidding and Affirmative Action in Contracting Ordinances, P.M.C. 4.08 and P.M.C. 4.09.

FISCAL IMPACT

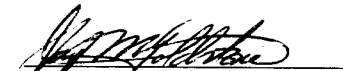
The recommended contract amounts of \$375,000 and \$75,000 are based on the volume of purchases made under the preceding contract periods. Funds are available in Power Division operating and capital budgets.

Respectfully submitted,

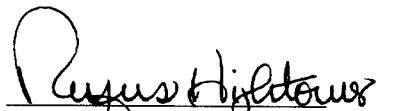


Philip A. Hawkey
City Manager


Approved by:



Jay M. Goldstone
Director of Finance

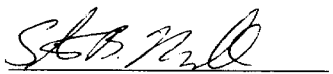


Rufus Hightower
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