



# City Council Report

**Date:** December 1, 2008  
**To:** City Council  
**Through:** Bryan Raines, Deputy City Manager  
**From:** John Albin, Acting Procurement Services Director  
**Subject:** Two-Year Renewal of the Supply Contract for Lycofast® Mechanical Couplings for Warehouse Inventory as Requested by the Utilities Department, Gas Division (Mesa Contract #2005164) "Citywide Contract"

## Purpose and Recommendation

Council is requested to approve a Two-Year Renewal of the Supply Contract for Lycofast Mechanical Couplings as recommended. Renewal pricing was obtained and evaluated by the Utilities and Procurement Services Departments.

The Procurement Services Department recommends authorizing a two-year renewal of the contract with R.W. Lyall & Co., Inc. at \$121,440.00, based on estimated requirements, including contingencies and applicable sales tax.

## Background

Lycofast mechanical couplings are used by Gas Division staff to connect polyethylene pipe in natural gas systems. Lycofast fittings manufactured by R.W. Lyall & Co., Inc. are the only fittings that have an internal sealing capability and are approved for use in the City of Mesa gas distribution system.

Due to increases in the cost of raw materials, the vendor requested and received a 5% price increase in March 2007. Pricing for this renewal contract includes an additional increase of 7%, making the total increases since 2005 12%. Staff research of the Producer Price Index (PPI) shows that the cost of components for this purchase have risen nearly 16% since 2005, indicating that the vendor's current pricing is still very competitive.

One responsive bid was received in November 2005.

## Alternatives

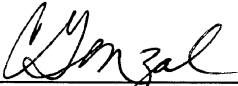
Council may choose not to renew this contract and new bids will be obtained.

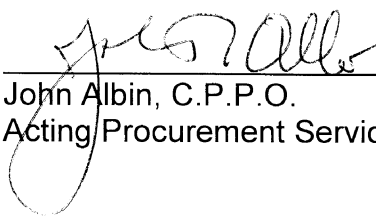
**Fiscal Impact**

The total amount of \$121,440.00 is available in the Utilities Department's budget.

**Coordinated With:**

Utilities Department, Gas Division

  
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Cyndi Gonzales,  
Management Assistant II

  
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John Albin, C.P.P.O.  
Acting Procurement Services Director

  
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Bryan Raines,  
Deputy City Manager

**CITY OF MESA  
 RECOMMENDED RENEWAL  
 SUPPLY CONTRACT FOR LYCOFAST® MECHANICAL COUPLINGS  
 (MESA CONTRACT #2005164)**

**R.W. Ryall & Co., Inc.**  
 Corona, CA

Description	Pricing
Lycofast® Mechanical Couplings	<b>\$100,000.00</b>
	15% Contingency <u>15,000.00</u>
	<b>Sub Total      \$115,000.00</b>
	5.6% Use Tax <u>6,440.00</u>
	<b>TOTAL      \$121,440.00</b>