



# City Council Report

**Date:** June 22, 2009  
**To:** City Council  
**Through:** Bryan Raines, Deputy City Manager  
**From:** Edward Quedens, Business Services Director  
**Subject:** Term Contract for PE Natural Gas Pipe & Fittings for Energy Resources, Gas Division (Mesa Contract #2009129)  
"Citywide" contract

## **Purpose and Recommendation**

Council is requested to approve a Term Contract for PE Natural Gas Pipe & Fittings as recommended. Bid pricing was obtained and evaluated by the Energy Resources and Business Services Departments.

The Business Services Department recommends awarding the contract to the lowest, responsive and responsible bidder, ISCO Industries, LLC at \$205,854.29, including applicable use tax.

## **Background/Discussion**

This purchase will provide polyethylene (PE) natural gas pipe and fittings to be used in the construction of new gas system facilities as well as for the maintenance, repair and replacement of gas system infrastructure.

The initial term of the contract is three years with a two-year renewal possible. Any price increases will be capped by the Producer Price Index (PPI).

Four responsive bids were received in April 2009.

## **Alternatives**

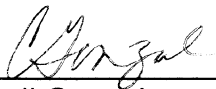
Council may choose not to award this contract and new bids will be obtained.

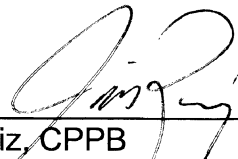
## **Fiscal Impact**

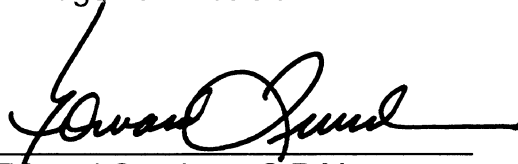
The total amount of \$205,854.29 is available in the Energy Resources Department's budget.

**Coordinated With:**

Energy Resources Department, Gas Division

  
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Cyndi Gonzales,  
Management Assistant II

  
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Jim Ruiz, CPPB  
Purchasing Administrator

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

  
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Bryan Raines,  
Deputy City Manager

**CITY OF MESA  
 AWARD RECOMMENDATION  
PE2406 NATURAL GAS PIPE & FITTINGS  
 (REQUEST FRO BID #2009129)**

**ISCO Industries, LLC**  
 Louisville, KY

Description	Bid Price
PE2406 Natural Gas Pipe & Fittings, per specifications	<b>\$194,937.77</b>
	5.6% Use Tax <u>10,916.52</u>
	<b>TOTAL    \$205,854.29</b>

**April 2009 Bid Responses:**

ISCO Industries, LLC Louisville, KY	\$194,937.77 (Recommended)
Performance Pipe Plano, TX	\$197,280.42
Poly Pipe, Inc. Gainesville, TX	\$204,475.30
Kelly Pipe Co. Phoenix, AZ	\$219,245.45