



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 5.N

Title:

Recommendation to Waive the Formal Bid Procedure and Allow “Spot Buying” of Cable and Transformers on an As-Needed Basis for FY 2021/2022

Presenter:

AJ Reineking

Meeting: Government Services Committee

Date: April 26, 2021

Proposed Cost: \$550,000

Budgeted Amount: \$550,000

Not Budgeted:

Executive Summary *(if not budgeted please explain):*

Staff is asking to waive the bid procedure, and allow the Inventory Control Division to “spot buy” purchases of cable and transformers for FY 21/22 for inventory stock only. Similar to other commodities, such as fuel, the price of metals used in cable and transformers fluctuates dramatically from week-to-week or even day-to-day, which makes procurement from an on-going inventory perspective difficult to lock down.

Spot buying these items allows the Inventory Control Division the competitive comparison of cost on an as-needed basis. It is our practice to solicit pricing from at least five vendors/distributors allowing for a competitive price comparison.

The total budgeted amount for general cable is \$50,000, and the total budgeted amount for transformers is \$500,000.

Attachments *(please list):*

*Bid Waiver Form

Recommendation/Suggested Action *(briefly explain):*

Recommendation to Waive the Formal Bid Procedure and Allow “Spot Buying” of Cable and Transformers on an As-Needed Basis for FY 2021/2022.



BID WAIVER One Time Today through 4/30/22

Description: Spot Purchase of Cable and Transformers

Requested Vendor: Various

Requested by: AJ Reineking

Date: 4/26/21

Approvals: Peter Suhr
Department Head

Joan Schouten
Procurement

Bid Waivers are required when there are unique circumstances related to a proposed procurement that has not been competitively solicited.

1. This procurement is valued at \$ _____ for this one time order, and/or
\$ **550,000** for a 12 month period.

2. This good/service has been competitively solicited within the past 24 months. Yes No
If yes: Was the solicitation published on the city website? Yes No

3. Justification for Bid Waiver

- Emergency** i.e. declared by the Mayor and applicable to EOC/FEMA procedures.
- Urgent** i.e. required to resolve an unanticipated problem that, if not resolved within 48 hours, may cause undue risk to individuals and/or extensive damage to property.
- Need for these goods/services were **not anticipated and procurement through normal channels would take too long.**
- A responsible **contractor was on site** performing a related repair, and, based on professional judgement; it was prudent to request this service/repair from said contractor.
- These goods are replacement parts for a **warranted item, and the warranty is still in place**, and purchase of a non-brand item will jeopardize warranty.
- These goods/services are **inherently related to, and an ongoing part of**, other goods/services previously provided by the Provider.
- These goods utilize a **proprietary, patent, trademark, or customized programing** resulting in lack of competition.
- These goods are **standardized** for operational safety and efficiency.
- These goods are only available through the provider's **local distribution** channels.
- Other: Pricing for cable and transformers is largely dependent on the market price of metals, which is constantly fluctuating. Staff solicits quotes from multiple vendors on an as-needed basis to receive the best available price.