

Mayor and Council Communication

DATE: 06/16/20

M&C FILE NUMBER: M&C 20-0403

LOG NAME: 13P LOWES MRO MG FMS

SUBJECT

Authorize a Purchase Agreement with Lowe's Home Centers, LLC for Maintenance, Repair and Operating Supplies for All Departments Using Omnia Partners Cooperative Contract in an Annual Amount Up to \$300,000.00 (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council authorize a Purchase Agreement with Lowe's Home Centers, LLC for maintenance, repair and operating supplies for all departments using Omnia Partners Cooperative Contract No. R192006 in an annual amount up to \$300,000.00.

DISCUSSION:

This Purchase Agreement will be used by all departments to purchase maintenance, repair and operating supplies directly from Lowe's Home Centers, LLC (Lowe's). Lowe's provides operating supplies such as hand tools, hardware, fasteners, batteries, flashlights, chains, ladders, coolers, wheelbarrows, storage cabinets, doorknobs, deadbolts, padlocks, electrical motors and other catalog supplies used to repair and maintain City-owned equipment and facilities.

Purchasing is requesting to increase the spending authority from the previous annual agreement amount of \$100,000.00 to a new annual amount of \$300,000.00 due to potential costs associated with COVID-19. With the increased spending authority, this will allow City departments to access readily available supplies such as cleaning products, building materials, storage solutions, and tools needed from local Lowe's stores. This increase will ensure that spending authority is available as long as sufficient funds have been appropriated.

COOPERATIVE PURCHASE - State law provides that a local government purchasing an item under a Cooperative Purchasing Agreement satisfies state laws requiring that the local government seek competitive bids for purchase of the item. Omnia Partners Cooperative Contract R192006 has been competitively bid to increase and simplify the purchasing power of local government entities and will serve ALL COUNCIL DISTRICTS.

PRICE ANALYSIS - The current Agreement awarded on April 1, 2020 offers a seven percent discount at point of sale. Staff has reviewed the prices offered and determined them to be fair and reasonable.

AGREEMENT TERMS - Upon City Council's approval, the Agreement will begin on April 1, 2020 through March 31, 2023 with the option to renew for two (2) additional one (1) year periods through March 31, 2025 in accordance with the terms of the cooperative contract. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

M/WBE: A MBE/SBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Lowes Home Centers, LLC

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments' Operating Funds to support approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the participating departments have the responsibility to validate the availability of funds.

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