

Mayor and Council Communication

DATE: 06/16/20

M&C FILE NUMBER: M&C 20-0412

LOG NAME: 13PCOOP SAFETY PERSONAL PROTECTIVE EQUIPMENT SNB

SUBJECT

Authorize the Execution of Non-Exclusive Agreements with SID Tool Co., Inc. d/b/a MSC Industrial Supply Co., and Fastenal Company for Safety Personal Protective Equipment for All City Departments in a Combined Annual Amount Up to \$420,393.00 Using Two TXMAS Cooperative Contracts and Authorize Five Annual Renewal Options (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council authorize the execution of non-exclusive Agreements with SID Tool Co., Inc. d/b/a MSC Industrial Supply Co., and Fastenal Company for safety personal protective equipment for all City Departments in an annual amount up to \$420,393.00 using Texas Smartbuy (TXMAS) Cooperative Contract Nos. 18-51V07 and 18-51V08 Facilities Maintenance, Repair, & Operations (MRO) and Industrial Supplies and authorize five annual renewal options.

DISCUSSION:

The Water Department approached the Purchasing Division to purchase safety personal protective equipment using two cooperative agreements. City Departments will use the Agreements to purchase safety personal protective equipment for all City personnel to use on an as needed basis.

Staff recommends awarding non-exclusive Agreements to SID Tool Co., Inc. d/b/a MSC Industrial Supply Co., and Fastenal Company using TXMAS Cooperative Contract Nos. 18-51V07 and 18-51V08 along with five one-year options to renew. No guarantee was made that a specific amount of these goods will be purchased. Staff reviewed the pricing and found it to be fair and reasonable.

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. TXMAS Cooperative Contracts have been competitively bid to increase and simplify the purchasing power of government entities.

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.

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

SUCCESSOR CONTRACTS - To facilitate planning and budgeting staff would prefer to have annual agreements that align with the fiscal year. However, the TXMAS agreements are out of alignment with the City's fiscal year and its current term will expire July 1, 2020.

In order for this purchase to align with the City's fiscal year, adoption of this M&C technically authorizes (i) a series of purchase agreements, each of which will align to a term of the DIR agreement to ensure legal authority exists for the contract, and (ii) an annual spend amount, future years of which would be subject to City Council appropriation. In the event the TXMAS agreement is not renewed, staff would cease purchasing at the end of the last purchase agreement coinciding with a valid TXMAS agreement. If the City Council were to not appropriate funds for a future year, staff would stop making purchases when the last appropriation expires, regardless of whether the then-current purchase agreement has expired.

The City will initially use TXMAS Contract 18-51V07 and TXMAS Contract 18-51V08 to make purchases authorized by this M&C. As noted, that agreement is set to expire on July 1, 2020. If TXMAS Contract 18-51V07 and TXMAS Contract 18-51V08 are extended, this M&C authorizes the City to purchase similar equipment and supplies under the extended contracts. If TXMAS Contract 18-51V07 and TXMAS Contract 18-51V08 are not extended but TXMAS executes a new cooperative contract with SID Tool Co., Inc. d/b/a MSC Industrial Supply Co. and Fastenal Company with substantially similar terms as TXMAS Contract 18-51V07 and TXMAS Contract 18-51V08, this M&C authorizes the City to purchase the equipment and supplies under the new TXMAS contract.

This Agreement will commence upon City Council approval and end September 30, 2020.

This Agreement may be renewed for up to five additional one year terms in accordance with the terms and conditions of TXMAS Contract No. 18-51V07 and 18-51V08 or applicable successive TXMAS contracts for the same services at the City's option. This action does not require specific City Council approval provided that City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal terms.

A Form 1295 is not required for Fastenal Company because this contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity. A 1295 for SID Tool Co., Inc. d/b/a MSC Industrial Supply Co. is attached.

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 award of the contract. Prior to any expenditure being

incurred, the participating departments have the responsibility to validate the availability of funds.

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