City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:

Matthew J. Fertal

From: William E. Murray

Dept:

City Manager

Dept: Public Works

Subject: AWARD OF PURCHASE ORDERS

Date: July 9, 2013

TO HILLCO, MCFADDEN-DALE, AND LAWSON PRODUCTS FOR

FASTENERS AND HARDWARE PARTS

OBJECTIVE

To obtain City Council approval to award purchase orders to Hillco Fastener Warehouse Inc., McFadden-Dale Industrial Hardware, and Lawson Products for the purchase of fasteners and hardware parts.

BACKGROUND

The Public Works Department Vehicle Maintenance Division is responsible for maintaining the City's fleet of vehicles and equipment. The fleet routinely requires fasteners and hardware to complete necessary maintenance and repairs. To avoid delays in the purchase and delivery of the required products and to meet the needs of our customers in a timely manner, it is essential that Public Works have the ability to purchase these items from more than one vendor. The lowest bidder, Hillco Fastener Warehouse Inc., will be designated as the primary vendor. McFadden-Dale Industrial Hardware will be the secondary, and Lawson Products Inc. will be the third vendor utilized.

ANALYSIS

Specifications were prepared and sent to prospective bidders. The variety and quantity of fasteners quoted was limited to simplify the bidding process. Specifications included ten boxes containing 50 pieces each of nuts, bolts, washers, rivets and screws that are used on a regular basis.

In response to prescribed bidding procedures the following bids were received:

Hillco Fastener Warehouse, Inc.

\$189.57

Garden Grove, CA

McFadden-Dale Industrial Hardware

\$213.80

Anaheim, CA

Lawson Products

\$227.80

Reno, NV

AWARD OF PURCHASE ORDER TO HILLCO, MCFADDEN-DALE, AND LAWSON PRODUCTS FOR FASTENERS AND HARDWARE PARTS July 9, 2013 Page 2

FINANCIAL IMPACT

The financial impact to the Fleet Management Fund would be \$150,000 per year for five years. There is no impact to the General Fund.

RECOMMENDATION

It is recommended that the City Council:

- Approve the award of three (3) purchase orders for fasteners and hardware in a fixed amount collectively not to exceed \$150,000 per year for five (5) years and to be divided among Hillco Fastener Warehouse Inc., McFadden-Dale Industrial Hardware and Lawson Products; and
- Authorize the City Manager to review and approve annual renewals provided that sufficient funds are budgeted for the renewals.

WILLIAM E/MURRAY, P.E.

Public Works Director/City Engineer

By: Phillip Carter

Equipment Maintenance Supervisor

Recommended for Approval

Matthew Fertal City Manager