

To: Contra Costa County Housing Authority Board of Commissioners  
 From: Joseph Villarreal, Housing Authority  
 Date: January 17, 2017



Contra  
Costa  
County

Subject: AGREEMENT WITH HD SUPPLY FACILITIES MAINTENANCE

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## **RECOMMENDATIONS**

APPROVE and AUTHORIZE the Executive Director of the Housing Authority, or his designee, to execute a contract with HD Supply Facilities Maintenance in an amount not to exceed \$200,000 to provide facilities maintenance, repair, operating and industrial materials and related services through July 31, 2017.

## **BACKGROUND**

HACCC is in need of a materials provider that can supply a wide variety of tools and supplies needed to operate and maintain its public housing properties and administrative buildings. The vendor must be able to provide these materials either on-demand, or within a short time window. An ongoing contract with one or more providers will help ensure product continuity, fast and easy ordering with trackable invoicing and next-day delivery systems in order to minimize interruptions in HACCC staff workflow.

In soliciting this contract HACCC has made use of its ability to utilize interagency purchasing agreements. HUD requires housing authorities to competitively solicit goods and services. Usually the entire procurement process is conducted in-house by a housing authority looking for a particular product or service. However, HUD permits, and even

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Action of Board On: **01/17/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

### **VOTE OF COMMISSIONERS**

AYE: John Gioia, Commissioner  
 Candace Andersen,  
 Commissioner  
 Diane Burgis,  
 Commissioner  
 Karen Mitchoff,  
 Commissioner  
 Federal D. Glover,  
 Commissioner  
 Jannel George-Oden,  
 Commissioner

ABSENT: Fay Nathaniel,  
 Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 17, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

encourages, housing authorities to procure goods

## BACKGROUND (CONT'D)

and services via cooperative and interagency agreements. Such agreements can greatly simplify and expedite the procurement process since the housing authority does not have to develop specifications, solicit vendors for bids or evaluate those vendors that submit bids. Also, cooperative agreements can offer substantial pricing discounts to housing authorities because vendors can price their products and services more aggressively when they know their customer base is significantly larger than just one agency.

In seeking a maintenance materials vendor, HACCC utilized an interagency purchasing agreement. If approved by the Board, this contract will be awarded through Maricopa County, Arizona's solicitation for Maintenance, Repair, Operating Supplies, Industrial Supplies and Related Services issued on May 6, 2011, and awarded on August 1, 2011. This contract was subsequently renewed and extended through July 31, 2017.

If approved by the Board, the proposed contract will be awarded to HD Supply Facilities Maintenance (HDSFM). HDSFM was awarded a contract via a solicitation issued by Maricopa County, Arizona through the U.S. Communities Government Purchasing Alliance (USCGPA). USCGPA is the leading national cooperative purchasing program, providing world class government procurement resources and solutions to local and state government agencies, school districts (K-12), higher education institutions, and nonprofits looking for the best overall supplier government pricing. The benefits of using USCGPA include a no-fee-or-cost process that, by combining the potential cooperative purchasing power of up to 90,000 public agencies, enables access to the best overall supplier government pricing on quality brands that are backed by the integrity, experience and oversight by public purchasing professionals.

Six bidders responded to Maricopa County's solicitation and HDSFM was selected as the most qualified, responsible bidder. Since the USCGPA award to HD Supply was for a period extended to July 31, 2017, HACCC can utilize this award any time prior to July 31, 2017, to sign its own contract with HDSFM. HD Supply has demonstrated the ability to successfully implement a multi-state cooperative purchasing program with U.S. Communities as part of Contract 05091 for Wholesale Maintenance, Repair and Operating Supplies for over 5 years. They've greatly increased awareness of the USCGPA Program to promote the benefits of using a compliant cooperative contract that has been competitively solicited through a Lead Public Agency, Maricopa County, and continues to promote the contract to best serve the needs of public agencies.

HD Supply is one of the largest industrial distributors in North America. The company provides a broad range of products and value-added services to approximately 500,000 customers with leadership positions in maintenance, repair and operations, water infrastructure and residential and non-residential construction sectors. Their leading businesses include HD Supply Facilities Maintenance, HD Supply Waterworks and HD Supply Construction & Industrial - White Cap. HD Supply has an expansive product offering of approximately 800,000 SKUs of quality, name-brand and proprietary products at

competitive prices. With approximately 550 locations across 48 states and six Canadian provinces, their 13,000 associates provide localized, customer-driven services including jobsite delivery, will call or direct-ship options, diversified logistics and innovative solutions that contribute to our customers' success. In California, HDSFN maintains supply warehouses in the City of Industry, Sacramento, San Diego and Hayward. By contracting with HDSFM through USCGPA, customers reap the benefits of savings on the products and services in the proposed contract.

HACCC anticipates that the total cost of the contract will be \$200,000 through July 31, 2017. At that time, if the HDSFM contract with Maricopa County is extended, HACCC will seek to further extend this contract and return to the Board for approval of an extension.

#### FISCAL IMPACT

The Housing Authority's (HACCC) total cost for this service will not exceed \$200,000. Funding for this contract is included in HACCC's current budget using funds provided by the U. S. Department of Housing and Urban Development.

#### CONSEQUENCE OF NEGATIVE ACTION

Should the Board of Commissioners elect not to award the contract to HD Supply Facilities Maintenance, HACCC will be required to go out to bid for maintenance, repair, operating and industrial supplies. This process would be lengthier and likely more expensive than procuring this service via the USCGPA process.

#### CLERK'S ADDENDUM