

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: February 14, 2017



Contra
Costa
County

Subject: CONTRACT WITH HD SUPPLY FACILITIES MAINTENANCE

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 \$2,000,000 to provide materials and supplies needed for the maintenance of public housing facilities.

BACKGROUND

This contract will primarily provide materials and services used by HACCC's Maintenance Department to complete work orders, maintain the grounds and perform preventive maintenance at our public housing properties.

HUD requires housing authorities to competitively procure goods and services, a process normally undertaken by each individual agency. However, HUD permits housing authorities to award contracts to firms selected by a state or local governmental agency in a competitive solicitation process. The state or local government's selection process must meet HUD's procurement guidelines and must have been for the same goods and services sought by the housing authority. HUD encourages housing authorities to procure goods and services in this manner in order to "foster greater economy and efficiency..."

Action of Board On: **02/14/2017** ☒ 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: February 14, 2017

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

If approved by the Board, the proposed contract will be awarded to HD Supply Facilities Maintenance (HD Supply). HD Supply was awarded a contract via a solicitation issued by Maricopa County, Arizona through the U.S. Communities Government Purchasing Alliance (USCGPA). Six bidders responded to Maricopa's solicitation and HD Supply was selected as the most qualified, responsible bidder. USCGPA is the leading national cooperative purchasing program, providing world class government procurement resources and solutions to local and

BACKGROUND (CONT'D)

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.

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. Their leading businesses include HD Supply Facilities Maintenance, HD Supply Waterworks and HD Supply Construction & Industrial - White Cap. HD Supply has 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, HD Supply maintains warehouses in the City of Industry, Sacramento, San Diego and Hayward.

On January 17, 2017, HACCC's Board approved a contract in an amount not to exceed \$200,000 with HD Supply. The approved contract was based on a 2011 procurement by Maricopa County/USCGPA that was scheduled to expire on July 31, 2017. After receiving Board approval, but prior to signing the contract, HD Supply informed staff that they did not wish to sign a contract with HACCC expiring on July 31, 2017, because a new contract had been agreed to with Maricopa County. The procurement for the new contract (described above) still meets all of HUD's requirements and provides HACCC the benefit of competitively sourced pricing for a longer period of time. The new Maricopa/USCGPA award to HD Supply is for February 1, 2017, through December 31, 2021. If approved by the Board, HACCC will enter into contract with HD Supply effective February 15, 2017, through December 31, 2021. The total cost of the proposed contract will not exceed \$2,000,000 without additional Board approval.

FISCAL IMPACT

The Housing Authority's (HACCC) cost for these materials and supplies will not exceed \$2,000,000. 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 via Maricopa County/USCGPA.

CLERK'S ADDENDUM

