



DATE: May 12, 2022  
TO: Angela Calvillo, Clerk of the Board  
FROM: Sailaja Kurella, Acting Director of Office of Contract Administration (OCA) and Purchaser  
SUBJECT: **Resolution to approve amendment to Term Contract 89400 – Citywide Hardware Supplies with Professional Contractor Supply (PCS)**

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Enclosed is the resolution authorizing an amendment to Term Contract #89400 with Professional Contractor Supply (PCS) increasing the contract amount by \$4 million for a total not-to-exceed (NTE) amount of \$11.5 million.

The Office of Contract Administration (OCA) conducted a solicitation for a Citywide as-needed “term” contract for the purchase of hardware supplies in 2017, and Professional Contractor Supply (PCS) was one (1) of the two (2) awarded suppliers for the agreement, with an initial contract NTE amount of \$3 million and duration of three years, from August 15, 2017 to July 14, 2020. Due to heavy utilization by City departments, the contract was subsequently amended four times. The current contract is at \$7.5 million, ending on July 14, 2025.

The Professional Contractor Supply (PCS) contract offers a wide variety of hardware supplies at significant cost savings to City Departments by providing catalogue discounts off the company’s extensive inventory. Discounts are offered by manufacturer/brand.

The Office of Contract Administration (OCA) conducted a usage analysis to determine the proposed NTE amount of \$11.5 million. The annual spend on this contract is approximately \$1.5 million, with expenditures increasing substantially during the COVID emergency. Due to recent heavy usage, the contract is expected to be depleted within the next five (5) months.

This contract is critical for satisfying City departments’ needs for essential hardware supplies. Approval of this resolution will allow City departments to continue procuring these goods in a streamlined and cost-efficient manner.

If you have any questions or require additional information, please contact Erica Baker on my team at 415-554-5113.

Enclosures:

TC#89400 Citywide Hardware Supplies Agreement  
TC#89400 Citywide Hardware Supplies – Modification 1  
TC#89400 Citywide Hardware Supplies – Modification 2  
TC#89400 Citywide Hardware Supplies – Modification 3  
TC#89400 Citywide Hardware Supplies – Modification 4  
TC#89400 Citywide Hardware Supplies – Modification 5  
Resolution for TC#89400  
S.F. Ethics Commission form 126f4, Notification of Contract Approval