



## AGENDA MEMORANDUM

Action Item for the City Council Meeting July 16, 2024

**DATE:** July 16, 2024

**TO:** Peter Zanoni, City Manager

**FROM:** Wesley Nebgen, Director of Water System Infrastructure  
[WesleyN@cctexas.com](mailto:WesleyN@cctexas.com)  
(361) 826-3111

Josh Chronley, Assistant Director of Finance & Procurement  
[JoshC2@cctexas.com](mailto:JoshC2@cctexas.com)  
(361) 826-3169

### Supply Agreement for Fire Hydrants

#### **CAPTION:**

Motion authorizing the execution of a one-year supply agreement, with two one-year options, with ACT Pipe & Supply, Inc., of Houston with an office in Corpus Christi, in an amount not to exceed \$345,022.00, with a potential up to \$1,035,066.00 if options are exercised, to purchase fire hydrants for Corpus Christi Water, with FY 2024 funding of \$86,255.50 from the Water Fund.

#### **SUMMARY:**

This motion authorizes a one-year supply agreement with ACT Pipe & Supply for the purchase of fire hydrants for Corpus Christi Water (CCW). These fire hydrants are for new and replacement installations.

#### **BACKGROUND AND FINDINGS:**

CCW maintains approximately 12,000 fire hydrants throughout the water distribution system. CCW warehouse purchases and stocks fire hydrants for new and replacement installations due to condition, damage, or new construction. This contract is critical to ensuring maintenance and repairs occur in a timely manner.

#### **PROCUREMENT DETAIL:**

Finance & Procurement conducted a competitive Request for Bids process to obtain bids for a new supply agreement. The City received three responsive bids. Staff is recommending the award to the lowest responsive, responsible bidder, ACT Pipe & Supply.

ACT Pipe & Supply outbid the others and results in a decreased cost of 8.58%, a savings of approximately \$32,390.00 from the previous agreement in 2022.

Description	2022	2024	Variance Total Cost Savings	Variance Percent Savings
Fire Hydrants	\$377,412.00	345,022.00	\$32,390.00	8.58%

**ALTERNATIVES:**

An alternative to accepting this bid would be to require CCW to purchase the fire hydrants on an as-needed basis, which could cause a delay due to the procurement process. In addition, a long-term agreement allows for a better economy of scale.

**FISCAL IMPACT:**

The fiscal impact for Corpus Christi Water for FY 2024 is \$86,255.50 from the Water Fund.

**FUNDING DETAIL:**

Fund:	4010	Water
Organization/Activity:	31520	Treated Water Delivery Systems
Department:	45	Water
Project # (CIP Only):	<b>N/A</b>	
Account:	520130	Maintenance and Repairs
Amount:	\$86,255.50	

**RECOMMENDATION:**

Staff recommends approval of this motion to execute authorization of a one-year supply agreement with two additional one-year option periods with ACT Pipe & Supply, as presented.

**LIST OF SUPPORTING DOCUMENTS:**

- Bid Tabulation
- Supply Agreement