



AGENDA MEMORANDUM

Action Item for the City Council Meeting December 12, 2023

DATE: December 12, 2023

TO: Peter Zaroni, City Manager

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

Josh Chronley, Assistant Director of Finance-Procurement
JoshC2@cctexas.com
(361) 826-3169

Supply Agreement for Service Saddle Taps

CAPTION:

Motion authorizing the execution of a one-year supply agreement with two additional one-year options, with Core & Main, LP., of Corpus Christi, Texas, to purchase service saddle taps for the Corpus Christi Water Department in an amount up to \$146,240.00, with a total potential amount up to \$438,720.00 if the two additional option years are exercised, with FY2024 funding in the amount of \$146,240.00 available through the Water Fund.

SUMMARY:

This motion authorizes a supply agreement with Core & Main LP. to purchase service saddle taps used in water service lines to new homes, businesses, and other areas. The service saddle taps are purchased by the Corpus Christi Water Department (CCW) and will be stocked for use as needed by CCW field crews.

BACKGROUND AND FINDINGS:

The use of service saddle taps allows installation of new piping into existing mains. Service saddle taps are used by CCW work crews for the City's waterlines to make appropriate connections to supply water to new customers. They are also used by CCW work crews on projects to replace aged water lines as well as for emergency repairs. The saddle taps are ordered from the suppliers, then stocked at CCW until CCW work crews use them for projects.

Core & Main, LP. is the incumbent supplier of these parts for the City. The City is satisfied with the service and parts received from Core & Main, LP. and recommends continuing to work with them through the proposed agreement.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bids (RFB) process to obtain bids for a new

supply agreement. The City received two responsive and competitive bids. Staff is recommending award to the lowest responsive, responsible bidder, which is Core & Main, LP.

Core & Main, LP. Is the incumbent supplier of these parts for the City. In 2020, City negotiated a three-year agreement with Core & Main, LP. for \$205,333.80. The agreement expired in April 2023, however, CCW has had enough supplies on-hand to carry through current day. The proposed agreement with Core & Main, LP., if all options are exercised, will amount to \$438,720.00. This increase in dollar value is due to the addition of new items and current economic conditions. The additional items in the proposed agreement with Core & Main, LP. include various sizes of service saddle taps that were not included in the previous agreement with Core & Main, LP. The reason that the additional service saddle taps sizes are being included in the proposed agreement is because they are being used more than they were when the previous agreement was initiated. As the City’s water system continues to grow, the various sizes of service saddle taps are being used more frequently.

The bid totals for this contract are shown in the table below:

Vendor	Bid Amount
Core & Main LP	\$146,240.00
Ferguson Enterprises	\$146,408.58

ALTERNATIVES:

The alternative is not to approve the proposed contract but to instead require Corpus Christi Water to purchase the saddle taps on an as-needed basis. This would not be as beneficial as a long-term agreement, though, which allows for a better economy of scale and more readily available parts and services.

FISCAL IMPACT:

The fiscal impact for Corpus Christi Water during FY 2024 is \$146,240.00.

FUNDING DETAIL:

Fund: 4010 - Water
Organization/Activity: 31520 – Treated Water Delivery System
Department number: 45
Project # (CIP Only): N/A
Account: 520160 – pipe fittings

RECOMMENDATION:

Staff recommends approval of this motion to execute a one-year supply agreement with two additional one-year options with Core & Main, LP., as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement