



## AGENDA MEMORANDUM

Action Item for the City Council Meeting October 10, 2023

**DATE:** October 10, 2023

**TO:** Peter Zanoni, City Manager

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### Retainers, Restraints, Gaskets and Related Supplies

#### **CAPTION:**

Motion authorizing the execution of a one-year supply agreement with Ferguson Enterprises, LLC., of Corpus Christi, Texas, to purchase retainers, restraints, gaskets, and related supplies for the Corpus Christi Water Department in an amount not to exceed \$73,644.52, with FY 2024 funding in the amount of \$73,644.52 from the Water Fund.

#### **SUMMARY:**

This is a motion authorizing a one-year supply agreement for retainers, restraints, and related supplies for the Corpus Christi Water Department.

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

The Corpus Christi Water (CCW) Department purchases and stocks retainers, restraints, gaskets, and related supplies. The purpose of these items is for new and replacement installation of water mains, distribution lines, and service lines to residential homes and commercial businesses. Due to CCW's frequent need to purchase these items, a supply agreement is beneficial for inventory availability as well as set contract prices. CCW maintains certain levels of inventory on-hand in their warehouse in order to respond to water line leaks. Ferguson Enterprises, LLC. will deliver the items to CCW throughout the course of the agreement. When repairs are needed, CCW infrastructure work crews will complete them.

Ferguson Enterprises, LLC. is the current supplier of these items for CCW. CCW is satisfied with their level of service and the quality of their supplies. CCW recommends continuing to work with Ferguson Enterprises, LLC. through the proposed agreement.

#### **PROCUREMENT DETAIL:**

Finance & Procurement conducted a Request for Bid Process to obtain bids. The City received two responsive, responsible bids. Staff is recommending the award to the lowest, responsive, responsible bidder Ferguson Enterprises, LLC.

Ferguson Enterprises, LLC. is the current supplier of these items for CCW. In 2019, CCW paid \$46,858.43 for retainers, restraints, gaskets, and related supplies by the same vendor for one year. The current price is \$73,644.52 for the year which is a 57% increase from 2019.

Current market conditions, supply chain, and inflation has had an impact on materials pricing. The comparative pricing is from 2019 so the increase is consistent with what has been evidenced by other contracts. Additionally, the bid from Core and Main who was the second lowest bid, totaled \$92,925.00.

CCW is satisfied with Ferguson Enterprise LLC.'s level of service and the quality of their supplies. CCW recommends continuing to work with Ferguson Enterprises, LLC. through the proposed agreement.

**ALTERNATIVES:**

The alternative is to not enter into a supply agreement with Ferguson Enterprises, LLC., which would require separate procurements on an as-needed basis. This would create the possibility of an increased cost per item due to variable market conditions.

**FISCAL IMPACT:**

The fiscal impact for FY 2024 is \$73,644.52 from the Water Fund.

**FUNDING DETAIL:**

Fund:	4010	Water
Organization/Activity:	31520	Treated Water Delivery System
Department:	45	Water
Project # (CIP Only):	N/A	
Account:	520160	Pipe, Fittings, Drainage

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing a one-year supply agreement with Ferguson Enterprises, LLC. for the purchase of retainers, restraints, gaskets, and related supplies for CCW.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation  
Supply Agreement