



AGENDA MEMORANDUM

Action Item for the City Council Meeting April 14, 2020

DATE: April 14, 2020

TO: Peter Zaroni, City Manager

FROM: Kim Baker, Director of Contracts and Procurement
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<p>Supply Agreement for Service Saddle Taps For the City Warehouse</p>

CAPTION:

Motion authorizing a three-year supply agreement with Core & Main, LP in an amount not to exceed \$205,333.80 for the purchase of service saddle taps for underground water supply pipes, effective upon issuance of notice to proceed, with FY 2020 funds in an amount of \$28,520.00 available in the Stores Fund.

SUMMARY:

This motion authorizes a supply agreement with Core & Main, LP to purchase service saddle taps used in underground pipes to supply water to new homes, businesses, and other areas. The service saddle taps are being purchased by the City Warehouse and will be stocked for purchase and distribution to the Utilities Department.

BACKGROUND AND FINDINGS:

Saddle Taps are used in the City's waterlines to tap into mains to supply water to new homes, businesses, and other areas. The use of saddles allows installation of new piping into existing mains while the lines are live, keeping pipeline shutdowns limited and allows for good customer service to existing clients. These service saddle taps are stocked in the City Warehouse and are ordered on an as needed basis by the Utilities Department.

The Contracts and Procurement Department conducted a competitive request for bid (RFB) process to obtain bids for a new contract. The City received one responsive, responsible bid. The Contracts and Procurement Department conducted a market value comparison through an internet search of the commodities included in the request for bids. Prices were found to be competitively priced and is recommending the award to Core & Main, LP.

ALTERNATIVES:

An alternative to accepting this bid would be to require the Warehouse to purchase the service saddle taps on an as needed basis. This may lead to not having the inventory on-hand for the Utilities Department in a timely manner, which would not be as productive as having a supply agreement in place.

FISCAL IMPACT:

The fiscal impact for the Contracts and Procurement Department in FY 2020 is \$28,520.00 for a three-year supply agreement for the purchase of service saddle taps, with the remaining cost of \$176,813.80 funded in future years through the annual budget process.

FUNDING DETAIL:

Fund:	5010 Stores
Organization/Activity:	40000 Warehouse Stores
Mission Element:	185 Centralized Purchasing System
Project # (CIP Only):	n/a
Account:	520210 Cost of Goods Sold

RECOMMENDATION:

Staff recommends approval of this motion authorizing a three-year supply agreement with Core & Main, LP as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement