



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 14, 2020

DATE: January 14, 2020

TO: Peter Zaroni, City Manager

FROM: Kim Baker, Director of Contracts and Procurement
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Spray Marking Paint

CAPTION:

Motion authorizing a three-year supply agreement with Ferguson Enterprises, LLC. of Corpus Christi, Texas, in an amount not to exceed \$91,657.51 for the purchase of spray marking paint for the City Warehouse as a central distribution for City departments, effective upon issuance of notice to proceed, with funding in the amount of \$21,641.35 available in the FY 2020 Stores Fund.

SUMMARY:

This motion authorizes a three-year supply agreement with Ferguson Enterprises, LLC. of Corpus Christi, Texas for the purchase of spray marking paint. This spray marking paint is purchased and utilized by City departments for work related purposes, for example the Water Utilities Department marks underground utilities and Asset Management may need to mark a wall or sidewalk for repairs.

BACKGROUND AND FINDINGS:

The City Warehouse purchases and stocks spray marking paint as a central distribution for City departments for various work-related projects. This paint is then purchased from the warehouse by various departments for their use.

The Contracts and Procurement Department conducted a competitive RFB process to obtain bids for a new contract. The City received three responsive, responsible bids, and is recommending the award to the lowest responsive, responsible bidder, Ferguson Enterprises LLC.

ALTERNATIVES:

An alternative to securing a supply agreement would be to require the City departments to purchase the spray marking paint on an as needed basis, which would not be as productive. In addition, a three-year agreement allows for a better economy of scale.

FISCAL IMPACT:

The fiscal impact for Contracts and Procurement in FY 2020 is an amount not to exceed \$21,641.35. The remaining cost will be funded 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 Ferguson Enterprises, LLC for spray marking paint as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement