



AGENDA MEMORANDUM

Action Item for the City Council Meeting of March 31, 2020

DATE: March 17, 2020

TO: Peter Zaroni, City Manager

FROM: Kim Baker, Director of Contracts and Procurement
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<p style="text-align: center;">Supply Agreement for Ductile Iron Pipe Accessories for the City Warehouse</p>

CAPTION:

Motion authorizing a two-year supply agreement with Ferguson Enterprises, LLC of Corpus Christi, Texas, in an amount not to exceed \$179,609.38 for the purchase of ductile iron pipe accessories, effective upon issuance of notice to proceed, with funding in the amount of \$52,386.07 available in the FY 2020 Stores Fund.

SUMMARY:

This motion authorizes a two-year supply agreement for the purchase of ductile iron pipe accessories to be used by the Water Utilities Department, and to be stocked by the City Warehouse. The ductile iron pipe accessories are used for various projects throughout the City. The ductile iron pipe accessories are being purchased by the City Warehouse and will be stocked for purchase and distribution to the Utilities Department.

BACKGROUND AND FINDINGS:

The City Warehouse purchases and stocks ductile iron pipe accessories for use by the Water Utilities Department for connecting water pipelines. This supply agreement will provide the Utilities Department up to 142-line item of assorted pipe accessory parts of various sizes for example mechanical Joint fittings, couplings, anchors, reducers, etc.

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 accepting this bid would be to require the Water Utilities Department to purchase ductile iron pipe accessories on an as needed basis, which would not be as productive. In addition, a long-term agreement allows for better economy of scale.

FISCAL IMPACT:

The total value for a two-year supply agreement with Ferguson Enterprises, LLC for purchase of ductile iron pipe accessories is not to exceed \$179,609.38, and the amount to be funded in FY 2020 is approximately \$52,386.07.

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 two-year supply agreement with Ferguson Enterprises, LLC for ductile iron pipe accessories as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement