



AGENDA MEMORANDUM

Action Item for the City Council Meeting September 8, 2020

DATE: September 8, 2020

TO: Peter Zaroni, City Manager

FROM: Kim Baker, Director of Contracts and Procurement
KimB2@cctexas.com
(361) 826-3169

<p>Supply Agreement for Retainers, Restraints, Gaskets, and Related Supplies for the City Warehouse</p>
--

CAPTION:

Motion authorizing a three-year supply agreement with Ferguson Enterprises, LLC in an amount not to exceed \$140,575.30 to purchase retainers, restraints, gaskets, and related supplies, in various sizes for the City Warehouse for central distribution, with funding in FY 2020 in an amount of \$8,000.00 available through the Stores Fund.

SUMMARY:

This motion authorizes a three-year supply agreement with Ferguson Enterprises, LLC to purchase retainers, restraints, gaskets, and related supplies to be stocked by the City Warehouse to distribute these supplies on an as-needed basis to internal departments for their operational material needs.

BACKGROUND AND FINDINGS:

This is the first large supply agreement specifically for retainers, restraints, gaskets, and related supplies such as glands, uni-flanges, and adapter fosters in various sizes for the City Warehouse to distribute to various departments. There has not been a supply agreement in place prior to this long-term agreement. Due to the departments' frequent need to purchase these items, a long-term supply agreement will allow the City Warehouse to keep a well-stocked inventory readily available for when the departments need the materials. The benefit of the solicitation allows for pricing competitiveness and has shown a cost-saving benefit of 7% in comparison between Ferguson Enterprise, LLC and the City of Corpus Christi's current year costs per item. The overall savings reduces the cost of procuring these items locked in for three years.

The Contracts and Procurement Department conducted a Request for Bid process to obtain bids to establish a new three-year supply agreement contract. The City received one responsive, responsible bid, and is recommending the award to the lowest responsive responsible bidder, Ferguson Enterprises, LLC.

ALTERNATIVES:

An alternative to accepting this bid will require the City Warehouse to continue to purchase these items on an as needed basis, with the possibility of an increased cost per item due to variable market conditions and changes for specific retainers, restraints, gaskets, and related supplies frequently bought.

FISCAL IMPACT:

The fiscal impact for Contracts and Procurement in FY 2020 is approximately \$8,000.00. The remaining cost of \$132,575.30 will be budgeted 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 the City Warehouse as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement