
City Council Regular Meeting

DEPARTMENT: Public Works

FROM: Eric Oscarson, Director of Public Works

MEETING: September 19, 2022

SUBJECT:

Consider approval of a resolution approving and accepting the bid from Ferguson Enterprises, LLC. for pipe and appurtenances for one year in the amount not to exceed \$139,100. (*Staff Contact: Eric Oscarson, Director of Public Works*)

SUMMARY:

The Water and Wastewater divisions of Public Works purchase a variety of materials that facilitate maintenance and operation of the water and wastewater systems each year. The materials include many water related items such as pipe, pipe fittings, fire hydrants, valves and various sewer related items. This bid provides a per unit price for these items. The quantities for each item are estimated based upon prior years purchase volumes. The exact quantities purchased will be based upon maintenance and operational needs.

During the May 16, 2022 City Council meeting (as detailed in below Prior Action section) City Council rejected the sole received bid for pipe and appurtenances and directed staff to list an invitation to bid at a later date.

The Purchasing Division of the Legal Department opened bids for purchase ITB 2022-020 on August 8, 2022 via virtual meeting. Bid requests were sent to all vendors registered to do business with the City of Burleson for these commodities. The bid was also advertised in the Fort Worth Star-Telegram newspaper on July 22, 2022 and July 29, 2022. The initial contract period is October 1, 2022 through September 30, 2023 with up to four (4) annual renewals. Annual renewals will require City Council approval each and every year. If all successive one-year terms occur then ending life of the contract is September 30, 2027. Three vendors submitted bids, Ferguson Enterprises LLC, Core and Main, L.P., and Fortiline Inc. City staff analyzed the bids provided by the vendors. The vendor with the lowest overall cost is recommended for award.

While this is a unit cost agreement, due to market volatility this agreement is unique compared to previous pipe and appurtenance agreements in that it allows the vendor to submit pricing adjustments on a quarterly basis instead of annually. Any requested adjustments by the vendor will be reviewed and approved by city staff.

OPTIONS:

- 1) Approve of a resolution approving and accepting the bid from Ferguson Enterprises LLC for pipe and appurtenances for one year in the amount not to exceed \$139,100.00.

- 2) Deny the resolution.

RECOMMENDATION:

Approve of a resolution approving and accepting the bid from Ferguson Enterprises LLC for pipe and appurtenances for one year in the amount not to exceed \$139,100.00.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

City Council took prior action related to this item in the May 16, 2022 City Council meeting.

The Purchasing Division of the Legal Department opened bids for ITB 2022-008 Pipe & Appurtenance on April 25, 2022, at City Hall. Bid requests were sent to all vendors registered to do business with the City of Burleson for these commodities. The bid was also advertised in the Fort Worth Star-Telegram newspaper on April 10, 2022 and April 17, 2022. However, only one vendor, Core and Main, LP, submitted a bid. City staff analyzed the bid and contacted other vendors that did not bid to ascertain reasons why. Uncertainty of their costs from manufacturers during this time of market volatility is the primary reason only one bid was submitted. Based upon an approximately 51% elevated price per unit of the single bid received versus previous year's bid and that other vendors were unwilling to bid due to market volatility, staff recommended rejecting the single bid received by Core and Main, LP.

City Council rejected the bid and directed staff to list an invitation to bid for the Pipe & Appurtenance contract at a later date.

FISCAL IMPACT:

Budgeted Y/N: Y
Fund Name: Water/Wastewater
Full Account #: 401-4041-511.41-10
Amount: \$74,621.00

Budgeted Y/N: Y
Fund Name: Water/Wastewater
Full Account #: 401-4041-511.41-13
Amount: \$15,364.00

Budgeted Y/N: Y
Fund Name: Water/Wastewater
Full Account #: 401-4042-511.41-11
Amount: \$27,344.00

Budgeted Y/N: Y
Fund Name: Water/Wastewater
Full Account #: 401-4041-511.78-02
Amount: \$21,771.00

STAFF CONTACT:

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