

Mayor and Council Communication

DATE: 05/21/24

M&C FILE NUMBER: M&C 24-0443

LOG NAME: 13P ITB 24-0160 DUCTILE IRON PIPE & FITTINGS ML WATER

SUBJECT

(ALL) Authorize the Execution of Non-Exclusive Agreements with Consolidated Pipe & Supply Company, Inc., Core & Main LP, Ferguson Enterprises, LLC and Fortiline, Inc. for the Purchase of Ductile Iron Pipe and Fittings and Related Parts in a Combined Annual Amount Up to \$1,000,000.00 for the Initial Term and Authorize Four (4) One-Year Renewal Options for Amount Up to \$1,200,000.00 for the First Renewal, \$1,440,000.00 for the Second Renewal, \$1,728,000.00 for the Third Renewal and \$2,073,600.00 for the Fourth Renewal for the Water Department

RECOMMENDATION:

It is recommended that the City Council authorize the execution of non-exclusive agreements with Consolidated Pipe & Supply Company, Inc., Core & Main LP, Ferguson Enterprises, LLC and Fortiline, Inc. for the purchase of ductile iron pipe and fittings and related parts in a combined annual amount up to \$1,000,000.00 for the initial term and authorize four (4) one-year renewal options for an amount up to \$1,200,000.00 for the first renewal, \$1,440,000.00 for the second renewal, \$1,728,000.00 for the third renewal and \$2,073,600.00 for the fourth renewal for the Water Department.

DISCUSSION:

The Water Department approached the Purchasing Division to procure non-exclusive agreements for ductile iron pipes and fittings, including, but not limited to bends, couplings, offsets, caps, plugs, tees, crosses, and reducers at various locations throughout the City. These parts are installed in the City's water distribution system and used to get water to ratepayers, make repairs to restore water when it is disrupted by a main break, and for main replacements. In order to procure these products, purchasing staff issued Invitation to Bid (ITB) No. 24-0160. The ITB consisted of detailed specifications regarding the product dimensions, components, and products in compliance with the City's Standard Product List and the American National Standards Institute (ANSI) product standards.

The bid was advertised in the *Fort Worth Star-Telegram* on March 20, 2024 and March 27, 2024. The City received five (5) responses from Consolidated Pipe & Supply Company, Inc., Core & Main LP, Ferguson Enterprises, LLC, Fortiline, Inc. and David-Tehoungue Ltd Co.

Staff evaluated the bid responses based on the lowest responsible bidder criteria and concluded it would be in the City's best interest to award to Consolidated Pipe & Supply Company, Inc., Core & Main LP, Ferguson Enterprises, LLC and Fortiline, Inc. The Department determined that it was necessary to secure an agreement with four vendors to ensure the needed ductile pipes and fittings could be acquired within the requested timeline. No guarantee was made that a specific amount of goods would be purchased. Staff certifies that the recommended vendors met the bid specifications.

Due to inflation and supply chain concerns, staff recommends the total compensation for each annual renewal term be increased by 20% to ensure the City can meet demand.

Funding is budgeted in the Water & Sewer Fund for the Water Department.

A 1295 form is not required for Core & Main, LP and Ferguson Enterprises, LLC as they are both publicly traded companies.

DVIN-BE: A waiver of the goal for Business Equity subcontracting requirement is approved by the DVIN-BE, in accordance with the Business Equity Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

AGREEMENT TERMS: Upon City Council approval, this agreement shall begin upon execution and expire on September 30, 2024.

RENEWAL TERMS: This agreement may be renewed for four additional, one-year terms. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated, in the Water & Sewer Fund. Prior to an expenditure being incurred, the Water Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Reginald Zeno 8517
Fernando Costa 6122

Originating Business Unit Head:

Reginald Zeno 8517

Christopher Harder 5020

Additional Information Contact:

Jo Ann Gunn 8525

Martha Lopez 2059