

Mayor and Council Communication

DATE: 06/13/23

M&C FILE NUMBER: M&C 23-0458

LOG NAME: 13PAMEND FASTENAL MRO FMS HO

SUBJECT

(ALL) Authorize Amendment to Cooperative Agreement with Fastenal Company to Increase the Annual Amount by \$150,000.00 for a New Total Annual Amount of \$550,000.00 for Facility Maintenance, Repair and Operations, and Industrial Supplies for All City Departments

RECOMMENDATION:

It is recommended that the City Council authorize an amendment to the Cooperative Agreement with Fastenal Company to increase the annual amount by \$150,000.00 for a new total annual amount of \$550,000.00 for facility maintenance, repair and operations, and industrial supplies for all City Departments.

DISCUSSION:

On July 18, 2018, the City of Fort Worth entered into an agreement with Fastenal Company under TXMAS Cooperative Agreement, No. TXMAS-18-51V07, in an amount up to \$100,000.00. On June 2, 2020, Mayor and Council Communication (M&C) 20-0352 was authorized by City Council to amend the contract increasing the annual amount up to \$200,000.00. On March 2, 2021, M&C 21-0139 was authorized by City Council to amend the contract increasing the annual amount up to \$300,000.00. Amendment No. 2 was executed on July 8, 2022, increasing City Secretary Contract (CSC) No. 55887 to an annual amount up to \$400,000.00 using the administration change order provided by M&C 21-0139.

The increased spending with Fastenal Company is being requested because the Water Department is in the process of purchasing equipment utilized in the inspection of sewer lines and miscellaneous minor equipment. This equipment will help determine which pipes need to be replaced before failure or where repairs need to be made and is essential to the day-to-day operations in the Field Operations Division of the Water Department. Purchasing requests that City Council authorize an increase to the above-described contract by \$150,000.00 to accommodate this increased, necessary spending. The new total annual amount of the agreement would be \$550,000.00.

FUNDING: The maximum amount allowed under this agreement Citywide will be \$550,000.00; however, the actual amount used will be based on the need of each department and available budget.

AGREEMENT TERM - The current agreement term is from July 1, 2022, to June 30, 2023. Upon the expiration of the current term, the City will have two (2) options to renew the agreement.

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.

COOPERATIVE PURCHASE - State law provides that a local government purchasing an item under a Cooperative Purchasing Agreement satisfies state laws requiring that the local government seek competitive bids for the purchase of the item.

DVIN: An MBE/SBE goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

The Cooperative Agreement serves ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Fastenal Company

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments' Operating Funds to support approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the participating departments have the responsibility to validate the availability of funds.

<u>Submitted for City Manager's Office by:</u>	Reginald Zeno	8517
	Dana Burghdoff	8918
<u>Originating Business Unit Head:</u>	Reginald Zeno	8517
	Christopher Harder	5020
<u>Additional Information Contact:</u>	Jo Ann Gunn	8525

