



**Recommendation for
Water & Wastewater Commission**

Commission Meeting Date:	July 12, 2017
Council Meeting Date:	August 3, 2017
Department:	Purchasing
SUBJECT	
<p>Authorize award and execution of a 24-month contract with FERGUSON ENTERPRISES INC. DBA FERGUSON WATERWORKS, to provide polyvinyl chloride water and sewer pipes, in an estimated amount of \$260,240, with three 12-month extension options in an estimated amount of \$130,120 per extension option, for a total contract amount not to exceed \$650,600.</p>	
AMOUNT AND SOURCE OF FUNDING	
<p>Funding in the amount of \$21,687 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Water. Funding for the remaining 22 months of the original contract period and extension options are contingent upon available funding in future budgets.</p>	
Purchasing Language:	The Purchasing Office issued an Invitation for Bids (IFB) GLB0057 for these goods on May 29, 2017 and it closed on June 13, 2017 with four offers received. The recommended offer is the lowest offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is not the current provider for these goods.
Prior Council Action:	N/A
For More Information:	Georgia Billela, 512-974-2939; Rick Harland, 512-972-0031
Boards and Commission Action:	July 12, 2017- To be reviewed by the Water and Wastewater Commission.
MBE/WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

The contract is for polyvinyl chloride (PVC) water and sewer pipes for Austin Water. The Line Maintenance, Construction, and Field Services divisions use these pipes in water service installations and repairs. The contract will enable service crews to connect new customer accounts and/or repair existing customer line breaks. The PVC pipes are used for projects such as Hartford Waterline Project and Zilker Park Waterline Extensions and are stocked in the warehouse to be issued on an as-needed basis for repairs and maintenance ensuring loss of service is kept at a minimum.

This contract replaces a current contract which expires on August 17, 2017 which was originally planned to be a renewal, however after hearing of concerns with the existing vendor Austin Water purchasing wanted to open this up for bid to drive more competitive pricing and better contract terms such as shorter lead times and minimum stocking quantities. This is an inventory stocking item for Austin Water and will only be purchased (replenished) as needed. The average contract spend is \$166,000 per year.

If the City is unable to secure a contract, the repair of City water and sewer pipes would be affected and potentially impact the City's ability to provide water services to the citizens of Austin.

BID TABULATION

IFB GLB0057

PVC water and sewer pipes

9 Line Items

<u>Vendor Name</u>	<u>Total Bid Items</u>
Ferguson Enterprises DBA Ferguson Waterworks	\$117,746.80
HD Supply Waterworks LTD.	\$121,033.58
KP Commercial	\$137,181.87
Techline Pipe	\$157,769.18

A complete solicitation package, including a bid tabulation, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

FERGUSON ENTERPRISES INC. DBA FERSUSON WATERWORKS				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	24	\$260,240	n/a	n/a
Extension Option 1	12	\$130,120	n/a	n/a
Extension Option 2	12	\$130,120	n/a	n/a
Extension Option 3	12	\$130,120	n/a	n/a
TOTAL	60	\$650,600	\$ -	\$ -