



## Legislation Text

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File #: 17-041, Version: 1

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**TO:** Mayor and Commissioners  
**FROM:** Theresa Webb, Chief Purchasing Officer  
**THROUGH:** Chief Neal deJesus, Interim City Manager  
**DATE:** January 10, 2017

PURCHASE AGREEMENT TO HD SUPPLY WATERWORKS, LTD. FOR PIPE, VALVES, AND FITTINGS

**Recommended Action:**

Motion to award an annual purchase agreement to HD Supply Waterworks, LTD. in a not-to-exceed amount of \$65,000 for Pipe, Valves, and Fittings.

**Background:**

On November 28, 2016, the City issued ITB No. 2017-023 for Pipe, Valves, and Fittings. Four bids were received. The lowest responsive and responsible bidder is HD Supply Waterworks, LTD, who submitted the lowest total bid price for the market basket of items included in the ITB. This market basket covered the most commonly used items in this commodity group and was based on purchases made by the City during 2016. Items that were not specifically quoted in the ITB will be offered to the City at the supplier's cost plus 12%. The term of the Agreement will be through January 10, 2018 with two, one-year options to renew.

The pipe, valves, and fittings requested in this ITB are stocked in the Central Warehouse, for use on City-wide projects by the Public Utilities Division of Environmental Services Department and other City departments and divisions. An analysis of the bid prices submitted by HD Supply Waterworks and the current prices paid by the City reflect an average savings to the City of 6.5%.

This motion is in accordance with the City Code of Ordinances, Section 36.02 (A)(1), "*Competitive Bids*".

**City Attorney Review:**

The item should be fully vetted with legal for adherence with existing ordinances and laws.

**Finance Department Review:**

Finance recommends approval.

**Funding Source:**

Funding is available in budget account numbers 001-0000-141-12.00 (General Fund: Materials & Supplies Inventory - Central Warehouse) and 441-0000-141-12.00 (Water/Sewer Fund: Materials & Supplies Inventory - Utility Warehouse).