



City Council Report

Date: January 8, 2018
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for Pipe and Fittings for the Materials and Supply Warehouse (for Citywide Departments) **(Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Business Services Department and Purchasing recommend increasing the dollar limit with Ferguson Enterprises; Perfect Pipe and Supply; and Thomas Pipe and Supply LLC; by \$25,000.00, increasing the contract amount from \$57,000.00 to \$82,000.00 annually, based on estimated usage.

Background

This contract provides pipe and fittings per specifications for new service installations and repair work by Citywide Departments. Materials and Supply orders and maintains inventory as needed.

Materials and Supply is requesting the dollar limit increase through the end of the current contract term on 5/25/2018. The increased usage of elbows, ells, tees, fittings and nipples is due to increased new home construction Gas Utility projects. On 11/29/2017, Purchasing approved a \$25,000.00 increase to ensure funding for an upcoming order as requested by Materials and Supply. This additional increase should be sufficient for purchases through the contract term.

Purchase Information

Action: Amendment
Procurement Type: Request for Bids
Contract Number: 2015226
Original Council Award Date: 5/18/2015
Initial Contract Term: Three years
Dollar Limit History:

Original Award Amount	\$32,000.00
Administratively Approved Increase 11/29/2017	\$25,000.00
This Increase Request 1/8/2018	<u>\$25,000.00</u>
New Annual Contract Amount 5/26/2017 through 5/25/2018	\$82,000.00

Funding Source: Materials and Supply operating budget through the Warehouse Internal Services Fund