



# City Council Report

**Date:** May 20, 2019  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** One-Year Renewal with a One-Year Renewal Option to the Term Contract for Bronze Water Service Valves, Fittings, Fire Hydrants and Repair Parts for the Materials and Supply Warehouse (for the Water Resources Department) **(Citywide)**

## Recommendation

Council is requested to approve the contract renewal as recommended.

The Business Services Department and Purchasing recommend authorizing the renewal with Ferguson Enterprises Inc. dba Ferguson Waterworks; Core & Main LP (formerly HD Supply Waterworks, Ltd); Dana Kepner Co.; and Fullerform Systems Inc.; at \$700,000 annually, with an annual increase allowance of up to 5% or the adjusted Producer Price Index.

## Background / Discussion

This contract provides a variety of valves, fittings, fire hydrants and repair parts stocked in the Materials and Supply Warehouse for use by Water Resources, used for the maintenance of the City's water distribution system, as well as City-owned fire hydrants. Materials and Supply places orders on an as-needed basis.

Three of the four vendors (Ferguson Waterworks, Dana Kepner Co., and Fullerform Systems Inc.) have agreed to renew the contract with price increases ranging from 6% to 13% per product. The requested price increases are allowable per specifications; the Producer Price Index has increased by 6% during the past 12 months and over 25% since the contract began in April of 2016. The City has been satisfied with each vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

## Purchase Information

Action: Renewal (1<sup>st</sup> of 2 possible)  
Procurement Type: Request for Bids  
Contract Number: 2016049  
Responses Received: 8  
Original Council Award Date: 4/18/2016  
Initial Contract Term: Three years  
Funding Source: Materials and Supply operating budget through the Warehouse Internal

**RENEWAL RECOMMENDATION**

Bronze Water Service Valves, Fittings, Fire Hydrants and Repair Parts per  
Contract No. 2016049

***Ferguson Enterprises Inc. dba Ferguson Waterworks – Phoenix, AZ***

Section 1 – Couplings, Section 2 – Supply Items (Adapters, Flanges, Nipples,  
Resettters), Section 3 – Service Saddles and Section 4 – Corporation Stops

***Core & Main LP – Gilbert, AZ (formerly HD Supply Waterworks, Ltd.)***

Section 5 – Curb Stops and Angle Valves and Section 8 – Hydrants

***Dana Kepner Co. – Phoenix, AZ***

Section 6 – Gate Valves

***Fullerform Systems Inc. – Phoenix, AZ***

Section 7 – Ductile Pipe

**Annual Contract Amount: \$700,000.00**