



# City Council Report

**Date:** April 6, 2020  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/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 Mechanical Fittings for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

## Recommendation

Council is requested to approve the contract renewal as recommended.

The Business Services and Energy Resources Departments and Purchasing recommend authorizing the renewal with Border States at \$188,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index.

## Background / Discussion

This contract provides Lycofit mechanical fittings for new construction projects and the maintenance and repair of existing gas utilities. Gas Utility uses these mechanical fittings manufactured by R. W. Lyall & Company to connect polyethylene (PE) pipe in the City's natural gas distribution system. The fittings, couplings, tees, elbows, caps and tapping tees, are required to comply with Federal Regulation 49 CFR 192 and the American Society for Testing and Materials (ASTM) Standard D-2513 specifications. Materials and Supply orders and stocks these items for Gas Utility.

Border States has agreed to renew the contract maintaining last year's pricing. The Producer Price Index has increased by 0.9% over the last year. The City has been satisfied with vendor's performance and service. 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: 2017157  
Original Council Award Date: 6/5/2017  
Initial Contract Term: Three years  
Possible Renewals: One-year renewal subject to Administrative review and approval  
Funding Source: Business Services Department - Materials and Supply operating budget through the Warehouse Internal Services Fund