



City Council Report

Date: May 2, 2022
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Three-Year Term Contract with Two Years of Renewal Options for Lycofit Mechanical Fittings for the Materials and Supply Warehouse (for the Energy Resources Department) **(Single Bid Response) (Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Business Services and Energy Resources Departments and Purchasing recommend awarding the contract to the qualified, responsive and responsible bidder, Border States Industries, Inc. at \$242,000 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. Energy Resources Department - Gas Utility uses these mechanical fittings manufactured by R. W. Lyall & Company, Inc. to connect polyethylene (PE) pipe in the City's natural gas distribution system. Technical specifications require the mechanical fittings to comply with Federal Regulation and the American Society for Testing and Materials (ASTM) Standards. Materials and Supply orders and stocks the mechanical fittings for Gas Utility.

The City solicited Request for Bids for two weeks and received a single bid response from Border States. Purchasing reached out to the vendors that were notified of the solicitation to inquire why they did not bid. Vendors indicated they do not supply several of the items needed; there is a patent on the couplings and therefore cannot bid; had website issues; and their pricing may not be as competitive as manufacturer/distributor pricing.

Business Services – Materials and Supply, Energy Resources and Purchasing believe it is in the City's best interest to award this contract, rather than resolicit. And because Border States is a preferred distributor for Lyall & Company it is most likely the bid pricing is the lowest available.

Purchase Information

Action: Award

Procurement Type: Request for Bids

Contract Number: 2022170

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: Three Years

Possible Renewals: Up to a maximum of two years subject to Administrative review and approval

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