



## **CITY COUNCIL COMMUNICATION**

August 14, 2012

**SUBJECT:** Award of Annual Contract to Purchase Utility Repair Materials  
**SUBMITTED BY:** Ron Young, Director of Public Works  
**REFERENCE NO:** Bid No. 011-12

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### **ACTION REQUESTED:**

Consider award of Bid No. 011-12 to Ferguson Waterworks, 2650 S. Pipeline Road, Euless, TX 76040, for utility repair materials required to construct and maintain water and sanitary sewer systems, authorize the City Manager to enter into a contract with Ferguson Waterworks and authorize Atlas Utility Supply Company, 2301 Carson St., Fort Worth, TX 76117, to be used as a secondary supplier.

### **ALTERNATIVES:**

- Table the request
- Deny the request

### **SUMMARY OF SUBJECT:**

The Purchasing Department requested competitive sealed bids (011-12) for the purchase of utility materials to construct and maintain the City of Euless' water and sanitary sewer systems. The items represented in the bid are a cross section of items used by the department and not a commitment to purchase. The City of Euless will only purchase material as needed and will be billed only for the actual material purchased. The bid also includes provisions for three (3), one (1) year renewal options.

Bids were submitted by two (2) vendors – Ferguson Waterworks and Atlas Utility. Based on the bid form, Ferguson and Atlas bid \$239,245.95 and \$224,747.80 respectively; however, Atlas Utility did not bid or incorrectly bid several items. Of the remaining items for which each company submitted appropriate bids, Ferguson bid \$223,876.95 and Atlas bid \$219,567.80 based on the quantities specified. Although the bid from Ferguson is \$4,309.15 (1.9%) higher for the remaining items, staff recommends that Ferguson be awarded the annual contract for Utility Repair materials and Atlas Utility be used as a secondary supplier.

Ferguson is a local Eules business and Section 271.905 of the Local Government Code allows a municipality to award a contract to a bidder whose principal place of business is located within the municipality and the bid is within 3.0% of the low bid.

Awarding this bid to Ferguson offers the City of Eules the best value based on a combination of contract price and economic development opportunities.

**FINANCIAL CONSIDERATIONS:**

Revenue Sources:

Expenditure Accounts:                      Various Water and Wastewater Accounts

Budgeted Fiscal Year(s):                      \$230,000

Estimated Expenditure:                      \$230,000

Over/Under Projection By:

Other Comments:

**SUPPORTING DOCUMENTS:**

- Bid Tabulation
- Vendor List

**APPROVED BY:**

\_\_\_\_\_ **LG** \_\_\_\_\_

City Manager's Office

\_\_\_\_\_ **KS** \_\_\_\_\_

City Secretary's Office