



Legislation Text

File #: 23-023, Version: 1

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SUBJECT: Approval to Waive the Competitive Bidding Requirements and Approve Purchases of Waterline Appurtenances, Parts, Equipment, and Supplies Necessary for Public Works Maintenance and Operations from Ferguson Enterprises, LLC, in the Amount not to Exceed \$100,000 Through June 30, 2023

REPORT IN BRIEF

Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 and approving the purchase of various waterline appurtenances, parts, equipment, and supplies for Public Works maintenance and operations.

RECOMMENDATION

City Council - Adopt a motion:

- A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.04.210 for annual supplies and services agreements; and,
- B. Approving the agreement for Purchase of Goods with Ferguson Enterprises, LLC, in the amount not to exceed \$100,000 in Fiscal Year 2022/2023; and,
- C. Authorizing the City Manager or the Deputy City Manager, to execute the necessary documents or contracts, and to approve change orders up to the City Manager's purchasing authority.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

City of Merced Charter Section 3.04.210 - Exemptions from Competitive Bidding:

Except as otherwise provided in this chapter, competitive bidding requirements for purchases in excess of twenty-five thousand dollars (\$25,000.00), the "bidding threshold", may be waived with the approval of the city council. Waivers may be authorized for, but are not limited to, cooperative purchasing in conjunction with other governmental entities, professional services, annual service or supply agreements, or purchases necessary for standardization on particular types of equipment.

The bidding threshold shall be adjusted for inflation utilizing the same index and methodology as the bidding threshold in Section 3.04.080 of this code.

CITY COUNCIL PRIORITIES

As provided for in the FY 2022/2023 adopted budget.

DISCUSSION

The City of Merced Public Works Department utilizes multiple vendors for the purchase of various parts, equipment, materials, supplies and services. These supplies and services are essential to daily operations and may be for ongoing maintenance, unforeseen repair work, or in response to an accident that damages City infrastructure.

The purchases made throughout the fiscal year are for a variety of items that vary in pricing. Depending on availability, these items can be picked up at the local store or are shipped to the City of Merced. Items purchased from fiscal year to fiscal year will vary, depending on the maintenance situations encountered by staff. Due to the unknown situations to be encountered, there is no set product stock staff anticipates purchasing.

Ferguson supplies various waterline appurtenances and related parts, equipment, materials, and supplies for use by the City's Water Department, as well as other Public Works Departments including Parks and Facilities. These supplies can be as simple as thread tape for a toilet repair to larger purchases like waterline pipe.

In the past, staff has procured items from various vendors, including Ferguson, utilizing the City's purchase order process. However, in recent years the City has transitioned practices to consolidate purchases from any one vendor per fiscal year on a single contract. It should be noted that consolidated purchases under the current \$36,000 threshold will continue through the purchase order process. Staff has evaluated potential purchases with Ferguson for FY 2022/2023 and anticipate purchases not to exceed \$100,000.

The Public Works Department is requesting Council waive competitive bidding requirements to allow for the continued purchase of various parts, equipment, materials, and supplies used in ongoing Public Works maintenance and operations.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed; funding is available within the FY 2022/2023 adopted budget.

ATTACHMENTS

1. Ferguson Agreement