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REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
February 27, 2007

Honorable Mayor and
Members of the City Council

Subject: Contracts: Purchase of Plumbing Supplies (PN:3341)

Location/Council District: City Wide

Recommendation: Adopt a Resolution: Awarding contracts for plumbing supplies for the Department of Utilities, Field Services Division to Groeniger & Company, for a total amount not to exceed $1,665,000 ($555,000 per contract year) and Ferguson Enterprises for a total amount not to exceed $1,917,000 ($639,000 per contract year).

Contact: Ken Guerard, Water Distribution, 808-6245, Sheri Adams, Administrative Analyst, 808-1470

Presenters: Not Applicable

Department: Utilities

Division: Field Services

Organization No: 3341

Description/Analysis

Issue: The Department of Utilities, Field Services Division has an ongoing need to purchase plumbing supplies as needed to service and install pipelines and connections for the City's residential and commercial customers. Procurement Services solicited bids to establish a potential three-year contract for these supplies. Attachment 1 contains a tabulation of the bids received in response to Bid No. B071181026.

Policy Considerations:

This recommendation is consistent with the requirements for competitive bidding as detailed in Chapter 3.56 of the Sacramento City Code.

Environmental Considerations: The current project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15061 (b)(3), which states that CEQA applies only to projects that have the potential for causing a significant effect on the

environment. The current proposal involves only the purchase of Plumbing supplies. Therefore, it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

Rationale for Recommendation: The citizens and commercial customers of the City of Sacramento rely on the Field Services Division of the Department of Utilities to provide safe and reliable services without interruption. In order to meet this requirement, a large supply of plumbing products must be available to accommodate unanticipated problems or cessation of service and to adequately provide and maintain a high level of services at a reasonable cost. Procurement Services conducted Bid No. B071181026 to obtain the necessary plumbing supplies at the most advantageous price available to the City. Therefore, staff recommends awarding contracts to the lowest responsible bidders in the respective categories (refer to Attachment 2): Groeniger & Company, 7601 14th Avenue, Sacramento, CA, for a total amount not to exceed $1,665,000 ($555,000 per contract year) and Ferguson Enterprises, 8732 Fruitridge Road, Sacramento, CA, for a total amount not to exceed $1,917,000 ($639,000 per contract year). The recommended supplies meet the necessary requirements.

Financial Considerations: These purchases are initially charged to Water Distribution's general inventory account, and subsequently debited to the Division's operating or CIP budgets for plumbing and supplies as the items are disbursed.

Emerging Small Business Development (ESBD): Invitation for Bids (IFB) were sent to eight (8) vendors, two (2) of which were certified as Emerging or Small Business Enterprises (EBE/ESB). Of the four bid responses received, none were from an ESBD certified firm.

Respectfully Submitted by: _____
Chris Stewart
Procurement Services Manager

Approved by: _____
Gary A. Reents
Director of Utilities

Recommendation Approved:

_____
for Ray Kerridge
City Manager

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Attachment 1

Background:

These plumbing supplies are being purchased for inventory by the Water Distribution section of Field services in the Department of Utilities. Bid totals shown on the attached tabulation sheet (Attachment 2) represent costs for various plumbing supplies that were used for evaluation purposes. They do not necessarily represent the actual amounts to be expended in each category or group during the contract year, as actual usage of the various items is difficult to estimate in advance. Basing usage estimates on past activity, staff recommends that contracts be awarded to: Groeniger & Company for a total amount not to exceed $1,665,000 ($555,000 per contract year) and Ferguson Enterprises for a total amount not to exceed $1,917,000 ($639,000 per contract year) for these potential three-year contracts.

PLUMBING EVALUATION BID #B071181026

(All City applicable preferences have been applied and sales tax is included)

PLUMBING GROUPS	Groeniger	Ferguson	National Meter	Water Rite
Small Business Preference	No	No	No	Yes
1 % City Limit Preference	Yes	Yes	No	Yes
Early Payment Preference	Yes – 2% 30 Days	No	No	Yes – 5% 21 Days
I – Brass Valves & Accessories	**$49,012.14**	$52,930.15	$50,111.17	No Bid
II – Pipe Clamps	$ 9,119.64	**$ 6,360.33**	No Bid	No Bid
III –Full Circle Tapping Sleeves	**$ 8,664.13**	$10,556.44	No Bid	No Bid
IV – Flex Couplings	$39,768.86	**$38,434.10**	No Bid	No Bid
V- Leak Clamps	$ 3,297.03	**$ 3,069.47**	No Bid	No Bid
VI-Brass Coupling Adapters	**$43,674.36**	$45,806.00	$48,096.26	No Bid
VII – Gate Valves	$243,028.91	**$241,094.45**	No Bid	No Bid
VIII – Full Circle Repair Bands/Tapping Sleeves	**$179,341.76**	$185,031.80	No Bid	No Bid
IX – Steel Pipe	**$29,038.80**	No Bid	No Bid	$98,104.50
X – Brass Meter Valves	**$14,823.87**	$15,747.69	$14,285.12*	No Bid
XI – Meter Boxes & Lids	**$69,623.37**	$77,518.54	No Bid	$83,713.81
XII –Miscellaneous meter Adapters	$158,657.49	**$146,308.35**	No Bid	No Bid
XIII – Flange Coupling Adapters	**$ 1,714.55**	$ 1,765.60	No Bid	No Bid
XIV – Megalugs	$23,228.31	**$21,144.40**	No Bid	No Bid
XV – Special Meter Box	**$50,526.16**	No Bid	No Bid	$52,583.63

* Not all items within this group were bid.

Recommendation for Award: Groeniger: Groups I, III, VI, VIII, IX, X, XI, XIII, XV
Ferguson: Groups II, IV, V, VII, XII, XIV

Awards To:

Groeniger & Company
7601 - 14th Avenue
Sacramento, CA 95820

$555,000 Per Year

Ferguson Enterprises
8732 Fruitridge Road
Sacramento, CA 95826

$639,000 Per Year

Total Amount of Contracts $1,194,000 (1)

Total Not to Exceed Amount $3,582,000

Using Department: Department of Utilities

Total Bid Amounts: 1,806,370.18 (including Sales Tax)

Due Date: December 27, 2006

(1) The lowest responsible bid amounts totaling $793,184.31 represents the total for the items selected for evaluation purposes only. Authorization is requested to enter into contracts in a combined total amount not to exceed $3,582,000 ($1,194,000 per contract year), which more closely reflects the actual amount anticipated to be expended each year of these potential three-year contracts.

Total No. Of Bids Solicited	No of ESBD Bids Solicited	No. of ESBD Responses	Award to ESBD Vendor?
8	2	0	No

RESOLUTION NO.
Adopted by the Sacramento City Council

CONTRACTS: PURCHASE OF PLUMBING SUPPLIES (PN:3341)

BACKGROUND

A. These plumbing supplies are being purchased for inventory by the Water Distribution section of Field services in the Department of Utilities.

B. Bid totals represents costs for various plumbing supplies that were used for evaluation purposes. They do not necessarily represent the actual amounts to be expended in each category or group during the contract year, as actual usage of the various items is difficult to estimate in advance.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The contract for Plumbing Supplies is awarded to Groeniger & Company, 7601 14th Avenue, Sacramento, CA, in a total amount not to exceed $1,665,000 ($555,000 per contract year for bid groups I, III, VI, VIII, IX, X, XI, XIII, XV) for a potential three-year contract.

Section 2. The contract for Plumbing Supplies is awarded to Ferguson Enterprises, 8732 Fruitridge Road, Sacramento, CA, in a total amount not to exceed $1,917,000 ($639,000 per contract year for bid groups II, IV, V, VII, XII, XIV) for a potential three-year contract.