



## STAFF REPORT

**DATE:** January 4, 2022

**TO:** Kent Cagle, City Manager

**FROM:** Jeffery Reynolds, Executive Director of Public Works

**SUBJECT:** Rejecting all bids received for Bid No. 22-09 Water and Sewer Supply Items

### **BACKGROUND AND FINDINGS:**

The City of Killeen solicits Water and Sewer supply item bids on an annual basis. The Water and Sewer Division uses these supply items throughout the year to operate and maintain the water distribution system and sewer collection system.

City staff solicited bids for water and sewer supply items to ensure supplies could be obtained at the best value. The bid was advertised on October 24, 2021 and October 31, 2021 and followed Texas Local Government Code and the City's Financial Management Policy.

On November 12, 2021, bids were opened and read aloud for the procurement of Water and Sewer's estimated annual quantities of these supply items. Water and Sewer, along with Purchasing, evaluated each bid's conformance with the bid information and instructions. The following three (3) vendors submitted partial bids on the specified supply items: Ferguson Enterprises, Fortiline Waterworks, and Zenner USA.

Water and Sewer Operations, along with Purchasing staff, recommend rejecting all bids due to lack of competitiveness and the number of partial bids that were received. In FY 2021, the annual material bid received six (6) bids, while in FY 2022, only three (3) partial bids were received. The general instructions and preparation of bid conditions within the bid documents allow the city to reject any and all bids.

### **THE ALTERNATIVES CONSIDERED:**

- 1) Award the bid based upon partial bids received.
- 2) Reject all bids and readvertise later when markets are more stable.

### **Which alternative is recommended? Why?**

City Staff recommends alternative two (2), reject all bids and readvertise later when markets are more stable. Under current purchasing conditions, this alternative provides the best value for the City.

**CONFORMITY TO CITY POLICY:**

Rejection of all bids follows the competitive bid process required per Local Government Code and the City's purchasing policy.

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

N/A

**Is this a one-time or recurring expenditure?**

N/A

**Is this expenditure budgeted?**

N/A

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

N/A

**RECOMMENDATION:**

City staff recommends that the City Council reject all three (3) partial bids received for Bid No: 22-09 - Water and Sewer Supply Items and that the City readvertise later when markets are more stable.

**DEPARTMENTAL CLEARANCES:**

Legal  
Finance  
Public Works

**ATTACHED SUPPORTING DOCUMENTS:**

Bid Tab