

**TO:** Andrew P. Powers, City Manager

**FROM:** Clifford G. Finley, Public Works Director

**DATE:** June 4, 2024

**SUBJECT: Inventory Materials and Parts Supplies Purchasing Agreement Amendment**

**RECOMMENDATION:**

1. Approve First Amendment to Contract No. 13129-2022 with Famcon Pipe and Supply, Inc. (Oxnard, CA) (Famcon) to add additional annual expenditure in the amount of \$400,000 (or \$100,000 annually) from various Water, Wastewater, and Landscape Fund accounts with a revised annual expenditure of \$350,000 and a revised total not-to-exceed amount of \$1,650,000 for the term of the contract.
2. Find that this action is not a project as defined under the California Environmental Quality Act.

**LEVINE ACT ITEM: Yes**

**FINANCIAL IMPACT:**

**No Additional Funding Requested.** Funding for supplies and materials are included in the Adopted FY 2023-24 and FY 2024-25 Water, Wastewater, and Landscape Funds Budgets. Additional funds for the remaining contract term will be requested during the upcoming biennial budget process. Purchased items will be placed into inventory or distributed for immediate use. Authorized funds will be identified and charged to the appropriate accounts for each item as they are distributed from the Municipal Service Center warehouse.

**BACKGROUND:**

The Public Works Department is responsible for operating, maintaining, and repairing City infrastructure. On a regular basis, water, wastewater, and landscape repairs that are needed, require specific parts and materials related to drinking water, irrigation, and wastewater. A critical element to making timely repairs is the availability of the necessary parts and materials. The City keeps commonly used

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parts and supplies stocked in inventory and procures lesser common items and larger quantities on demand. Securing approved purchase agreements expedites the ordering process and ensures both routine and emergency repairs are completed without delay.

On October 25, 2022, after a formal public Request for Proposal (RFP) process, City Council approved purchasing agreements for inventory materials and parts supplies not to exceed \$250,000 per fiscal year, per vendor, for the contract term through June 30, 2027, from various accounts, with four vendors: Famcon of Oxnard, CA, Ferguson Enterprises of Ventura, CA, Astra Industrial Services of Newbury Park, CA, and Pollard Water Inc. of Ventura, CA, which was acquired by Ferguson Enterprises.

**DISCUSSION/ANALYSIS:**

In support of the City's transition to monthly utility billing, the Water Division began upgrades to enhance operations, including optimization of the advanced metering infrastructure meter reading system by replacing meter lids with a style that accommodates endpoint installation, which is used to wirelessly transmit customer usage data. Additionally, there has been a recent surge in emergency work including mainline and service line breaks and valve failures, necessitating swift repairs to ensure ongoing public service.

These factors have resulted in product orders surpassing City Council approved not-to-exceed amount of \$250,000 annually in FY 2023-24. Although other vendors were awarded purchasing agreements, Famcon responded to quote requests and had the necessary items available and in stock for urgent and emergency repairs. Furthermore, certain products the City uses including the brass meter fittings, brass saddles, customer hand valves, and angle meter stops, are only available through Famcon as the authorized dealer in Ventura County.

Adding additional annual expenditure funding will allow staff to pay invoices remitted by Famcon for materials purchased in FY 2023-24 and ensure that the Water Division can continue to maintain operational efficiency, replace damaged infrastructure, and respond to emergencies. Therefore, staff recommends approval of the First Amendment with Famcon for purchases for the remainder of the agreement (Attachment #1).

**LEVINE ACT (California Government Code § 84308):**

This item is subject to the Levine Act. City Councilmembers who have received a campaign contribution of more than \$250 (aggregated) within the preceding 12 months from a party or their agent/representative, or a financially-interested participant involved in this proceeding may do either of the following: (1) disclose

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the contribution on the record and recuse themselves from this proceeding; or if applicable (2) return the portion of the contribution that exceeds \$250 within 30 days from the time the official knew or should have known about the contribution, and participate in the proceeding.

All parties and their agents/representatives must disclose on the record of this proceeding any aggregated contribution of more than \$250 made to any Councilmember within the preceding 12 months. Councilmembers are prohibited from accepting, soliciting, or directing a campaign contribution of more than \$250 (aggregated) from a party, their agent/representative, or a financially-interested participant during a proceeding and for 12 months following the date a final decision is made. In addition, a party, their agent/representative, or a financially interested participant is prohibited from contributing more than \$250 (aggregated) to a Councilmember during a proceeding and for 12 months following the date a final decision is made.

**COUNCIL GOAL COMPLIANCE:**

Meets the following City Council goal:

F. Provide and enhance essential infrastructure to ensure that the goals and policies of the Thousand Oaks General Plan are carried out and the City retains its role and reputation as a leader in protecting the environment and preserving limited natural resources.

**PREPARED BY:** Bret Sherman, Utilities Maintenance Supervisor

Attachments:

Attachment #1 – First Amendment to Contract No. 13129-2022