



Utilities Department

MEMO

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: STEVE POTTER, CITY MANAGER
CC: JOY ELDREDGE, UTILITIES DIRECTOR
DATE: MAY 2, 2025
SUBJECT: WRITTEN DETERMINATION TO ENTER INTO CONTRACTS WITH PACE SUPPLY CORP., AND FERGUSON ENTERPRISES, INC., TO PROVIDE INDUSTRIAL PLUMBING SUPPLIES PURSUANT TO NAPA MUNICIPAL CODE SECTION 2.91.050

Per **NMC 2.91.050**, the City may enter into a contract for a "specialty item," provided that the City Manager makes a written determination of the following:

1. The project need which the City intends to satisfy through the contract for the specialty item.

Purchase of industrial plumbing materials required for the repair and maintenance of the municipal water distribution and treatment system that provides potable water to the City's water customers.

2. The types of property or service which are available (or used by other similarly situated private or public agencies) to meet this need (or similar needs), and the contractors which are available to provide the property or service.

Industrial plumbing materials, or waterworks supplies, include pipes, fittings, valves, fire hydrants, leak clamps, and other specialized materials to install new or replace existing appurtenances within the City's water distribution and treatment system. These materials are not sold directly from the manufacturer but rather through distributors that cover a regional area. Pace Supply Corp. and Ferguson Enterprises, Inc. have been and continue to be the primary suppliers that distribute waterworks supplies in the Northern California region.

- 3. The reasons why it is impracticable for a similar service to meet the City's needs (including considerations of compatibility with other City services regarding maintenance, repair, training, quality, price, or similar considerations); or why the City's needs can only be met by one unique or proprietary type of service (the specialty item).**

Pace Supply Corp. and Ferguson Enterprises, Inc. are two large regional distributors of waterworks plumbing materials which provide the City with the availability of a wide range of products, the highest probability of having stock on-hand, and the most efficient means to manage supply chain challenges directly with the manufacturer. Although there are other distributors nationwide that can provide the products, purchasing from the primary regional distributors assures materials are readily available for emergency repair situations and can be delivered on short notice with no increased cost that may be associated with other distributors. The ability to have access to these two distributors to compare both price and availability provides value to the City and ensures the reliability needed to operate and maintain the water system.

- 4. By entering into a contract for the specialty item from the proposed contractor, the City will meet the purpose and goals identified in NMC Section 2.91.010.**

For the reasons stated above, entering into a contract with both Pace Supply, and Ferguson Enterprises, for the aforementioned items will ensure the most cost-effective result for the City and meet the purpose and goals of NMC Section 2.91.010.

- 5. The contract complies with the requirements of NMC Section 2.91.030 (B).**

Pursuant to NMC Section 2.91.030(B)(2), (a) will be approved as to form by the City Attorney, (b) as determined by the City Auditor, there are sufficient unencumbered funds to cover the cost of the contracts, and (c) upon approval by the City Council of the recommended action for the meeting of May 20, 2025, the City Council will have delegated authority to the City Manager's designee, the Utilities Director, to amend the existing, and approve the proposed contracts with Pace Supply, Corp., and with Ferguson Enterprises, Inc.