

AGENDA



Thursday, August 30, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 36

Subject: Authorize award and execution of a 60-month contract with ALTEC INDUSTRIES, St. Joseph, MO, for the lease of truck-mounted aerial devices and digger derricks in an amount not to exceed \$1,902,475.

Amount and Source of Funding: Future funding is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Carole Cameron, Purchasing Mgr. 322-6155

Purchasing Language: Best evaluated proposal of two proposals received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide Austin Energy (AE) with a 60-month lease of six 55-foot articulating aerial towers, two 50-foot digger derricks, one 50-foot aerial device, one 35-foot aerial manlift, and one 36-foot aerial device. All the aerial devices included in this contract are mounted on truck chassis that are equipped with diesel-powered engines. The contract includes all regular maintenance as well as loaner equipment should leased equipment be unavailable for more than a week. At the end of the contract, the equipment will be returned to the vendor.

This equipment is required for the construction and maintenance of the AE transmission and distribution system. The equipment will replace equipment currently used by AE that has exceeded its useful lifespan and has become excessively expensive to maintain.

A "buy or lease" financial analysis was completed, and the results demonstrate a savings of over \$1 million with the recommended lease, versus the purchase of the equipment.

MBE/WBE solicited: 0/0

MBE/WBE responded: 0/0

**RFP No. CMC0002
PROPOSAL ANALYSIS**

- a. Adequate competition.
- b. Twenty notices were sent. There are no known MBE/WBEs available for this commodity code. Two proposals were received.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.