

## AGENDA



Thursday, October 11, 2007

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 28**

**Subject:** Authorize award, negotiation, and execution of a 36-month requirements service contract with BASIC INDUSTRIES OF SOUTH TEXAS, San Antonio, TX; and MANSFIELD INDUSTRIAL, Baton Rouge, LA, for surface preparation, coating, and painting of Austin Energy power plants in an estimated amount not to exceed \$750,000 each and combined, with two 12-month extension options in an estimated amount not to exceed \$250,000 each and combined per extension option, for a total estimated contract amount not to exceed \$1,250,000 each and combined.

**Amount and Source of Funding:** Funding in the amount of \$250,000 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 24 months of the original contract period and extension options 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:** Martha L. Gaines, Buyer II/322-6583

**Purchasing Language:** Best two evaluated proposals of three 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 services for surface preparation, coating and painting of Austin Energy power plants; the contractor will provide waste and hazardous materials disposal, tools, materials, and equipment. It is necessary for a coating material to be applied to painted surfaces to protect against corrosion and deterioration that are common due to the harsh environment within power production facilities.

Failure to perform these services could result in the actual weakening of these structures, especially those made of structural steel such as boiler supports at plants. This preventative maintenance will avoid costly replacement of components supported by these structures.

Two contractors are being recommended due to the continuous need for contractor availability combined with a large scope of work. An evaluation team included employees from each power plant at AE-Power Production and the Purchasing Office. Evaluation of the contractors was based in part on their response to scenarios involving various types of work indicating each proposers experience level and knowledge necessary to perform each type of work.

MBE/WBE solicited: 1/1                      MBE/WBE responded: 0/1

**PRICE ANALYSIS**

a. Adequate competition.

b. Twenty-one notices were sent, including one MBE and one WBE. Three proposals were received, including one WBE.

APPROVAL JUSTIFICATION

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