

AGENDA



Thursday, November 8, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 53

Subject: Authorize award and execution of a 36-month requirements service contract with W-S INDUSTRIAL SERVICES, INCORPORATED, Council Bluffs, IA, for the cleaning of condenser tubes, cooling systems, and heat exchangers at Austin Energy power stations in an estimated amount not to exceed \$266,682, with one 36-month extension option in an estimated amount not to exceed \$266,682 per extension option, for a total estimated contract amount not to exceed \$533,364.

Amount and Source of Funding: Funding in the amount of \$74,079 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 26 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 Gaines, Buyer II, 322-6583.

Purchasing Language: Lowest bid meeting specifications of three bids 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 hydro cleaning of condenser tubes, cooling systems, and heat exchangers at Austin Energy's power stations. Hydro cleaning is a method of removing build-up such as silt, algae, clamshells, and calcium that has accumulated from river water use. This cleaning service is essential to reduce and prevent future build-up, which reduces the efficiency of the generating units.

MBE/WBE Solicited: 3/9

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Sixty notices were sent, including three MBEs and six WBEs. Three bids were received, with no response from the MBEs/WBEs.
- c. The pricing offered represents a 5% increase to the last contract award in January 2003.

APPROVAL JUSTIFICATION

- a. Lowest bid meeting specification. W-S Industrial Services is the current supplier for these services.
- b. The Purchasing office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.