Thursday, November 8, 2007

## Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 52

**Subject:** Authorize award and execution of three 24-month requirements supply contracts with TECHLINE INC., Austin, TX, in an estimated amount not to exceed \$3,159,948, POWER SUPPLY, Austin, TX, in an estimated amount not to exceed \$149,442, and KBS ELECTRICAL, Austin, TX, in an estimated amount not to exceed \$86,000 for galvanized steel streetlight poles and parts for Austin Energy. Each contract includes two 12-month extension options in estimated amounts equal to one-half of each original contract award.

**Amount and Source of Funding:** Funding in the amount of \$1,414,746 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 14 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: Gabriel Guerrero, Buyer II/322-6060

Purchasing Language: Lowest bidders meeting specification of five bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D 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.

These contracts will provide streetlight poles and parts, including galvanized and painted poles, arms, bases, and foundations. These poles and parts will be used to replenish stock at Austin Energy's Kramer and St. Elmo warehouses for immediate issue to illumination construction and maintenance crews for general maintenance and construction on an as needed basis. The supply of these items will enable Austin Energy to provide lighting throughout the utility service area.

MBE/WBE Solicited: 1/2 MBE/WBE Bid: 0/0

## PRICE ANALYSIS

- a. Adequate competition.
- b. Sixty-six notices were sent, including one MBE and two WBEs. Five bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 3.5% increase to the last contract award in June 2005.

## APPROVAL JUSTIFICATION

- a. Lowest bids received meeting specification. Techline and Power Supply are the current suppliers for these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.