

## AGENDA



Thursday, December 6, 2007

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 39

**Subject:** Authorize award and execution of a contract with WAGNER-SMITH EQUIPMENT CO., Burleson, TX, for the rebuild of a 1968 PENG0 cable pulling/tensioning unit currently in the Austin Energy Fleet in an amount not to exceed \$91,725.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2007 – 2008 Operating Budget of Austin Energy.

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

**For More Information:** Mary Quintero-Herrera, Senior Buyer/974-3266.

**Purchasing Language:** Sole bid 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.

This contract is for purchase of services to completely rebuild a 1968 PENG0, V-groove cable pulling/tensioning unit currently in the Austin Energy Fleet. Crews use this machine to install new overhead distribution lines throughout the City.

The services provided under this contract will bring this older machine into a like-new condition and the expectation is to receive 20-25 years of additional service life. The cost of replacing this unit with a new machine is approximately \$176,000. This contract saves the City approximately \$84,000 by deferring the total replacement of this machine at this time.

The contractor is providing a one year warranty on parts and labor for this unit.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Sole bid. There are no other known companies who have the capability to perform these type services.
- b. Thirty two notices were sent. There are no known MBE/WBEs for this service. One bid was received.
- c. The pricing offered represents a 24% increase to the last contract award in September 2005. This increase is due to the overall industry increase in the petroleum products (tires and hydraulic fluid), fuel, and steel.

**APPROVAL JUSTIFICATION**

- a. Sole bid received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.