

AGENDA



Thursday, December 6, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 41**

Subject: Authorize award and execution of a 24-month requirements supply agreement with FERGUSON ENTERPRISES, INC., Austin, TX, for high-efficiency toilets for the Austin Water Utility in an estimated amount not to exceed \$1,382,500, with three 12-month extension options in an estimated amount not to exceed \$691,250 per extension option, for a total estimated contract amount not to exceed \$3,456,250.

Amount and Source of Funding: Funding in the amount of \$576,042 is available in the Fiscal Year 2007–2008 Operating Budget for the Austin Water Utility. 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: Steve Aden, Supervising Senior Buyer, 974-2021.

Purchasing Language: Lowest bid of two 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.

Boards and Commission Action: Recommended by the Water and Wastewater Commission and Resource Management Commission.

This contract will provide high-efficiency toilets for the Austin Water Utility's Water Conservation Program. This contract will provide for the supply of approximately 15,000 high efficiency toilets (1.28 gallons per flush) for distribution to qualified residential, commercial, and multi-family City of Austin Water customers over the next 24 months. To receive toilets, customers must be retail customers of the Austin Water Utility services or retail customers of the City's wholesale water customers. In addition, toilets being replaced must have been installed prior to 1996. Single-family customers can receive up to three (3) toilets per residence at no charge; multi-family and commercial properties may participate, but must agree to replace all eligible toilets on the property. The customer is responsible for installation. This program is one component of a group of water conservation programs offered by the Austin Water Utility's Water Conservation Program.

Each single-family household, if they retrofit to the high efficiency toilets, can expect to save approximately \$55 per year in water and wastewater charges. The installation of each water efficient toilet will result in a reduction of approximately 15.9 gallons per day, or 5,814 gallons per year. If all toilets under the contract are installed, the estimated water savings would be approximately 238,938 gallons per day, or 87,212,327 gallons annually.

These numbers are extrapolated from the American Waterworks Association (AWWA)'s end use study of average flushes per day and 2007 demographics for people per household. Savings are based on replacing 3.5 gallon toilets in single-family homes; therefore, additional savings will be realized for toilet replacements in multifamily properties.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Seventeen notices were sent, including two WBEs. There are no available MBEs for this commodity. Two bids were received.
- c. This is the first purchase of high-efficiency toilets; therefore, there is no pricing history available. Previous contracts were for low flow toilets (1.6 gallons).

APPROVAL JUSTIFICATION

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