

## AGENDA



Thursday, January 31, 2008

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

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**Subject:** Authorize award, negotiation, and execution of 36-month requirements supply contracts with TEXAS ELECTRIC COOPERATIVE, Georgetown, TX; PRIESTER MELL & NICHOLSON, INC., Austin, TX; POWER SUPPLY, Austin, TX; TECHLINE, INC., Austin, TX; USA WIRE & CABLE, Austin, TX; STUART C. IRBY, Austin, TX; and KBS ELECTRICAL DISTRIBUTORS, Austin, TX for the purchase of critical materials and supplies in a combined estimated amount not to exceed \$69,328,292, with two 36-month extension options in a combined estimated amount not to exceed \$76,261,122 for the first extension option, and a combined estimated amount not to exceed \$83,887,235 for the second extension option, for a total combined estimated contract amount not to exceed \$229,476,649.

**Amount and Source of Funding:** Funding in the amount of \$15,406,288 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 28 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:** Dolores Castillo, Sr. Buyer /322-6466

**Purchasing Language:** Seven qualified statements from seven qualification statements 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.

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This contract will provide for the purchase of critical electric utility materials and supplies. Over 650 line items, such as, single-phase transformers, power cable, copper wire, pole-line hardware and fuses must be purchased monthly. The materials will replenish stock at Austin Energy's (AE) warehouses which is then issued to work crews for routine utility maintenance and construction on an as needed basis. Items within this arrangement will also be used for equipment repairs during outages.

A Request for Qualifications Statement (RFQS) was issued, seven responses were received, and all seven companies who submitted qualifications statements are being recommended for award. Qualifications included local representation, local stock, 24-hour availability/delivery, and emergency responsiveness.

This request allows for the development of supply agreements with all of the seven recommended firms. Firms will be required to provide monthly bid pricing for the critical materials supply arrangement items. Purchases will be made on an as needed basis from the lowest and best responsible offers. Amounts spent with each company will vary depending upon availability and pricing. Additional qualification statements may be requested from time to time. This will allow other companies to participate in the future.