

AGENDA



Thursday, March 6, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 24

Subject: Authorize award and execution of a 24-month requirements supply contract with MINUTEMAN INTERNATIONAL, Fitchburg, MA, for rain-water barrels for the Austin Water Utility in an estimated amount not to exceed \$480,000, with two 12-month extension options in an estimated amount not to exceed \$240,000 per extension option, for a total estimated contract amount not to exceed \$960,000.

Amount and Source of Funding: Funding in the amount of \$140,000 is available in the Fiscal Year 2007- 2008 Water Conservation Budget of the Austin Water Utility. Funding for the remaining 17 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.

This contract will provide an estimated 3,000, 75-gallon rain-water barrels for the Austin Water Utility to be sold to qualifying retail water customers for the collection of rain water. The City will purchase the rain barrels and resell them to customers at a discount.

The Austin Water Utility has a group of strategic programs to assist their continuing goal of reducing peak day water use by 10% (20,000,000 gallons per day). The rain barrel program is one of several strategic programs used to meet this reduction goal. The installation of 3,000 rain-water barrels should result in a peak day demand being reduced by approximately 15,725 gallons per day.

MBE/WBE solicited: 0/0 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Nine notices were sent. There are no known MBE/WBEs available for this commodity. Two bids were received.
- c. The pricing offered represents a 16% increase to the last contract award in February 2005. There has been no increase in pricing for this product since January 2000. This increase can be attributed to the rising cost in raw products used in the manufacture of the barrels and transportation.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Minuteman International is the current provider of this product.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.

c. Advertised in the Austin American-Statesman and the Internet.