Wednesday, June 18, 2008

Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 55

Subject: Authorize award and execution of a 12-month requirements supply contract with STRUCTURAL & STEEL PRODUCTS, INC., Fort Worth, TX for the purchase of steel traffic signal poles and mast arms in an estimated amount not to exceed \$621,431, with four 12-month extension options in estimated amounts not to exceed \$683,575 for the first extension option, \$751,932 for the second extension option, \$827,125 for the third extension option, and \$909,838 for the fourth extension option, for a total estimated contract amount not to exceed \$3,793,901.

Amount and Source of Funding: Funding in the amount of \$207,144 is available in the Fiscal Year 2007-2008 Operating Budget of the Public Works Department. Funding for the remaining eight 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: Roy Rivers, Buyer II/974-6434

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.

This contract will provide traffic signal poles and mast arms for the Public Works Department, Transportation Division for maintenance of City traffic signals. These structural components are necessary for new traffic signal installation, maintenance, and repair of existing traffic signals to provide a safer transportation infrastructure.

Traffic signal improvements contribute to the Transportation Division's overall mission to provide the safest and most efficient transportation system possible. Traffic signals are installed at intersections where traffic volume and/or accident history indicates that traffic signals are warranted. Modernization and upgrades of existing traffic signals become necessary as technology in the traffic field improves. All hardware must meet or exceed the American Association of State Highway and Transportation Officials, Standard Specification for Structural Supports of Highway Signs, Luminaries and Traffic signals. MBE/WBE solicited: 1/1 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Thirty-four notices were sent, including one MBE and one WBE. Two bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 100% increase from the last contract award in June 2005. The daily price fluctuation in the steel market is accountable for the increase.

APPROVAL JUSTIFICATION

- a. Lowest bid. Structural & Steel Products, Inc. is not the current supplier.
- b. The Purchasing Office concurs with the Public Works Department's recommended award.

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