

## AGENDA



Thursday, July 24, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 59

**Subject:** Authorize award and execution of a 12-month requirements service contract with ADS, LLC, Huntsville, AL to provide leak detection services for the Austin Water Utility in an estimated amount not to exceed \$210,000, with two 12-month extension options in an estimated amount not to exceed \$262,500 per extension option, for a total estimated contract amount not to exceed \$735,000.

**Amount and Source of Funding:** Funding in the amount of \$35,000 is available in the Fiscal Year 2007-2008 Operating Budget of the Austin Water Utility. Funding for the remaining 10 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 Sr. Buyer, 974-2021.

**Purchasing Language:** Sole bid received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C 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 is to provide a leak detection survey of approximately 600 linear miles of the Austin Water Utility's water distribution system. The Austin Water Utility is increasing efforts to identify leaks that are not currently surfacing or being reported in order to reduce the amount of actual losses. The leak detection efforts will target those areas with the highest reported breaks. It will be the Contractor's responsibility to identify areas where leaks exist and notify the Austin Water Utility so repairs can be made.

MBE/WBE solicited: 1/4

MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Sole bid. This is the third solicitation issued for these services since October 2007. The first two solicitations resulted in no bids being received. The previous contractor stated that it was unable to offer its services at this time due to other contractual commitments.
- b. Thirty-five notices were sent, including one MBE and four WBEs.
- c. The pricing offered represents a 65% increase to the last contract award in October 2006. This can be attributed to the rising cost in fuel prices. The prices per linear mile submitted in the 2006 solicitation ranged from \$124 to \$567. The successful contractor was unable to extend the contract after the first 12-month period since it had drastically under bid.

**APPROVAL JUSTIFICATION**

- a. Sole bid received. The recommended awardee is not the current provider of these services.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.