

AGENDA



Thursday, August 7, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 33

Subject: Authorize award and execution of three 24-month requirements supply contracts for the purchase of gate valves of various types and sizes for the Austin Water Utility with: MUNICIPAL WATER WORKS, Royce City, TX, in an estimated amount not to exceed \$273,687, with two 12-month extension options in an estimated amount not to exceed \$171,054 per extension option, for a total estimated contract amount not to exceed \$615,795; with ACT PIPE & SUPPLY, Pflugerville, TX, in an estimated amount not to exceed \$94,541, with two 12-month extension options in an estimated amount not to exceed \$59,088 per extension option, for a total estimated contract amount not to exceed \$212,717; and with TECHLINE PIPE LP, Austin, TX, in an estimated amount not to exceed \$75,839, with two 12-month extension options in an estimated amount not to exceed \$47,400 per extension option, for a total estimated contract amount not to exceed \$170,639.

Amount and Source of Funding: Funding in the amount of \$18,503 is available in the Fiscal Year 2007-2008 Operating Budget of the Austin Water Utility. Funding for the remaining 23 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: Lowest three bids meeting specifications of eight 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.

These contracts will provide for readily available sources for gate valves of various types and sizes for the Austin Water Utility (AWU). These valves are used to control the flow of water in water and wastewater main lines throughout the City. The valves will be purchased on an as needed basis and stocked at AWU's Webberville and Glen Bell Service Centers to ensure an adequate supply of valves are available for emergency repair and routine maintenance. MBE/WBE solicited: 1/2 MBE/WBE bid: 1/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-five notices were sent, including one MBE and two WBEs. Eight bids were received, with a response from MBE and no response from the WBEs.
- c. The current pricing represents an 18% increase to the last contract award in March 2005. The increase can be attributed to the rising cost for metal products fuel costs.

APPROVAL JUSTIFICATION

- a. Lowest bids meeting specifications received. Techline is the current supplier.
- b. The Purchasing Office concurs with Austin Water Utility's recommended awards.

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