

AGENDA



Thursday, August 28, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 38**

Subject: Authorize award and execution of six 24-month requirements supply contracts for underground electrical supplies with: Techline Inc, Austin, TX, in an estimated amount not to exceed \$606,292, with two 12-month extension options in an estimated amount not to exceed \$303,146, per extension option, for a total estimated contract amount not to exceed \$1,212,584; KBS Electrical Distributors, Inc., Austin, TX, in an estimated amount not to exceed \$427,520, with two 12-month extension options in an estimated amount not to exceed \$213,760, per extension option, for a total estimated contract amount not to exceed \$855,040; Power Supply, Inc., Austin, TX, in an estimated amount not to exceed \$133,242, with two 12-month extension options in an estimated amount not to exceed \$66,621, per extension option, for a total estimated contract amount not to exceed \$266,484; Stuart C. Irby Co., Austin, TX, in an estimated amount not to exceed \$74,346, with two 12-month extension options in an estimated amount not to exceed \$37,173, per extension option, for a total estimated contract amount not to exceed \$148,692; Priester-Mell & Nicholson Inc. Austin, TX, in an estimated amount not to exceed \$31,680, with two 12-month extension options in an estimated amount not to exceed \$15,840, per extension option, for a total estimated contract amount not to exceed \$63,360; and with HD Supply, San Antonio, TX, in an estimated amount not to exceed \$30,514, with two 12-month extension options in an estimated amount not to exceed \$15,257 per extension option, for a total estimated amount not to exceed \$61,028.

Amount and Source of Funding: Funding in the amount of \$54,316 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. 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: Gabriel Guerrero, Buyer II, 322-6060.

Purchasing Language: Lowest bids meeting specification of seven 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.

These contracts will provide for the supply of 52 various underground electrical supplies such as arresters, bushings, pulling compounds, compression cones, connectors, conductor covers, elbow kits, fuses, cold shrink insulators, sealing kits, splicing kits, load breaks, cable racks, link limiters, compression lugs and termination kits. These items will be used to replenish stock at Austin Energy's Kramer and St. Elmo warehouses to issue to underground and network distribution crews for general maintenance and construction on an as-needed basis. These items are used to connect and splice underground electrical distribution cables.

MBE/WBE Solicited: 8/9

MBE/WBE Bid: 0/0

PRICE ANALYSIS

a. Adequate competition.

- b. Two hundred thirty-seven notices were sent, including eight MBEs and nine WBEs. Seven bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 13% increase to the last contract awards made in May 2006. The increase is due to rise in prices of raw material (steel and copper products) and transportation costs.

APPROVAL JUSTIFICATION

- a. Lowest bids meeting specification. Techline, KBS Elec. Dist., Power Supply and Stuart C. Irby Co. are the current suppliers of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.