

## AGENDA



Thursday, August 28, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 35**

**Subject:** Authorize award and execution of a 24-month requirements supply contract with SHADES OF GREEN, Austin, TX (WBE) for large shade trees in an estimated amount not to exceed \$289,810, with three 12-month extension options in an estimated amount not to exceed \$144,905 per extension option, for a total estimated contract amount not to exceed \$724,525.

**Amount and Source of Funding:** Funding in the amount of \$12,075 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:** Terry Nicholson, Senior Buyer, 322-6586.

**Purchasing Language:** Lowest bid meeting specification of three 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.

The contract is for Shades Of Green to supply large shade trees to be used in City of Austin Capital Improvement Projects as part of the streetscape improvements and mitigation of the Urban Heat Island effect. On warm summer days the air in a city can be 6-8 degrees hotter than surrounding areas because there are fewer trees to shade buildings, intercept solar radiation, and cool the air by evapotranspiration. Planting trees can help reduce urban temperatures. By providing shade and reducing urban temperatures, vegetation can save energy. Austin Energy has undertaken an effort to mitigate this Urban Heat Island effect by procuring trees for use in City of Austin projects.

MBE/WBE solicited: 0/2

MBE/WBE bid: 0/1

**PRICE ANALYSIS:**

- a. Adequate competition.
- b. Seventeen notices were sent, including two WBEs. There are no known MBEs available for this commodity. Three bids were received, including one WBE.
- c. This is the first purchase of these sizes and types of trees; therefore, there is no pricing history available.

**APPROVAL JUSTIFICATION**

- a. Lowest bid meeting specification.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.