

AGENDA



Thursday, August 28, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 28

Subject: Authorize award and execution of a 24-month requirements supply contract with AUSTIN CRUSHED STONE, Austin, TX for limestone rock for Austin Energy in an estimated amount not to exceed \$101,360, with three 12-month extension options in an estimated amount not to exceed \$50,680 per extension option, for an total estimated contract amount not to exceed \$253,400.

Amount and Source of Funding: Funding in the amount of \$5,068 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding in the amount of \$92,292 is available in the Fiscal Year 2007-2008 Capital Budget of Austin Energy. Funding for the remaining 23 months of the original contract and extension options is contingent upon available funding in future budgets.

Fiscal Note: A fiscal note is attached.

For More Information: Terry Nicholson, Senior Buyer, 322-6586.

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 the supply of 3-inch x 5-inch limestone rock to be used by Austin Energy on an as needed basis. This type of limestone rock is coarse aggregate that consists of durable particles of crushed or uncrushed gravel used for various stabilization efforts at or around Austin Energy substations to control erosion and to cover dirt access roadways. The majority of this material will be delivered to City locations, but can be picked up by City crews if necessary.

MBE/WBE solicited: 5/2

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Eighteen notices were sent, including five MBEs and two WBEs. Two bids were received, with no response from the MBE/WBE's.
- c. The pricing offered represents a 26% increase to the last purchase made in June 2005. This increase is due to the rise in transportation costs.

APPROVAL JUSTIFICATION

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