

## AGENDA



Thursday, March 5, 2009

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 19

**Subject:** Authorize award and execution of a contract with TECHLINE INC., Austin, TX for the purchase of fiberglass utility poles in an amount not to exceed \$90,716.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2008-2009 Capital Budget of Austin Energy.

**Fiscal Note:** A fiscal note is attached.

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

**Purchasing Language:** Lowest bid meeting specification of two 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 Electric Utility Commission.

The contract is for the purchase of fiberglass utility poles to be used as an alternative to wooden poles where appropriate. The fiberglass poles are extremely lightweight, enabling smaller crews to complete the installation without expensive cranes or lifting equipment. The poles come in multiple sections allowing them to be hand carried for installation on rough terrain and hard-to-reach areas like hillsides, ravines, heavily-wooded areas, and customers' backyards without removing privacy fences. In addition, fiberglass poles are resistant to the deterioration caused by weather, soil conditions, insects and birds. Fiberglass and wooden poles can last anywhere from 30 to 60 years and are used in AE's distribution system, providing electricity to homes and businesses.

These poles will be delivered to and stored at the AE pole storage yard so that they will be available at the time they are needed. MBE/WBE solicited: 4/6 MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Sole bid. Two bids were received, but only one was considered responsive.
- b. Sixty-three notices were sent, including four MBEs and six WBEs. Two bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 23% increase to the last purchase made in October 2008. The distributor's explanation for the price increase was that an error was made on the original purchase causing the price to be lower than intended.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received meeting specifications. Techline was the previous supplier of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.