

AGENDA



Thursday, June 18, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 30**

Subject: Authorize award and execution of a 12-month requirement service contract with BUSINESS & PERSONAL SOLUTIONS, Cedar Creek, TX, for the distribution of door hanging advertisements for Austin Energy's Power Saver Programs in an estimated amount not to exceed \$58,680, with one 12-month extension option in an estimated amount not to exceed \$58,680, for a total estimated contract amount not to exceed \$117,360.

Amount and Source of Funding: Funding in the amount of \$14,670 is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy. Funding for the remaining nine months of the original contract period and extension option 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: Sandy Calles, Buyer Sr. 322-6487

Purchasing Language: Lowest bid of three bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C 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 and the Resource Management Commission.

This contract is for door-to-door distribution of door hanger sleeves and advertising material to promote Austin Energy's various Power Saver Programs to customers. Approximately 15,000 pieces of literature(printed on recycled-content paper) will be distributed door-to-door on a monthly basis. In addition, 50,000 compact fluorescent bulbs (CFLs) will be distributed to targeted zip codes. The CFLs will be included in the sleeve along with the advertising materials. The distribution of CFLs, purchased through a separate solicitation, in combination with program advertising material, is made possible through a grant from the Texas Commission on Environmental Quality (TCEQ). At 15,000 deliveries per month for 12 months, it is anticipated that 180,000 customers will receive literature (if only one piece of literature is distributed per house). If three pieces of literature are distributed, 60,000 customers will have been reached. The amount of literature per door hanger is driven by market goals and programs, and will vary from month to month.

Austin Energy's Power Saver Programs include: the Appliance Recycling program which promotes recycling of old, inefficient refrigerators; the Power Partner Program which provides for the installation of load control devices such as programmable thermostats and water heater switches/timers in residential and multi-family dwellings and in commercial facilities; the Free Home Energy Improvement Program which provides free weatherization services for the elderly and eligible low income families; the Solar Rebate Program; the Home Performance with Energy Star Program, and other energy conservation/climate protection initiatives to assist residential customers in reducing their electric consumption.

The distribution of promotional materials for Austin Energy's conservation programs have increased the number of participating households in the programs.

MBE/WBE solicited: 3/2

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty-seven notices were sent, including three MBEs and two WBEs. Three bids were received with no response from the MBE/WBEs.
- c. The pricing offered represents a 14% decrease from the last contract award in May 2007.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Business & Personal Solution is not the current supplier of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.