

AGENDA



Thursday, July 23, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 73

Subject: Authorize award and execution of two 36-month requirements supply contracts for transmission insulators with: TECHLINE INC., Austin, TX, in an estimated amount not to exceed \$509,334, with two 12-month extension options in an estimated amount not to exceed \$169,778 per extension option, for a total estimated contract amount not to exceed \$848,890; and with KBS ELECTRICAL DISTRIBUTORS INC., Austin, TX, in an estimated amount not to exceed \$291,000, with two 12-month extension options in an estimated amount not to exceed \$97,000 per extension option, for a total estimated contract amount not to exceed \$485,000.

Amount and Source of Funding: Funding in the amount of \$44,463 is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy. Funding for the remaining 34 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 six 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.

These contracts will provide for the supply of nine types of volt insulators and accessories such as line post insulators, station post insulators, braced line post insulators, suspension disc insulators, and horizontal post insulators. These items will be used to replenish stock at Austin Energy's Kramer warehouse for issuance to Transmission and Substation crews for maintenance and construction projects. These insulators are necessary to insulate the energized overhead conductor from the supporting structure and equipment.

MBE/WBE solicited: 1/0 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Thirty-eight notices were sent, including one MBE. There are no known WBEs available for these commodities. Six bids were received, with no response from the MBE.
- c. The pricing offered represents no increase to the last contract award in August 2005.

APPROVAL JUSTIFICATION

- a. Lowest bids received. Techline and KBS are not the current providers of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.

c. Advertised on the Internet.