

AGENDA



Thursday, August 20, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 30

Subject: Authorize award and execution of a 24-month requirements supply contract with KINLOCH EQUIPMENT AND SUPPLY, INC., Arlington, TX for hi-pressure hoses and couplings in an estimated amount not to exceed \$114,376, with two 12-month extension options in an estimated amount not to exceed \$57,188 per extension option, for a total estimated contract amount not to exceed \$228,752.

Amount and Source of Funding: Funding in the amount of \$4,766 is available in the Fiscal Year 2008-2009 Operating Budget of the Austin Water Utility. 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: Brenda Helgren, Sr. Buyer /974 9141

Purchasing Language: Lowest bid of five 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 Water Wastewater Commission.

This contract will provide the Austin Water Utility (AWU) a readily available supply of hi-pressure hoses and couplings. The items will be ordered, delivered, and stored at the AWU's Webberville Storeroom and Glen Bell Service Center. The hoses and couplings will be used by the maintenance crews for repair of vehicles equipped with hydraulic hoses and couplings on an as needed basis.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty notices were sent, including one MBE. There are no WBEs available for this commodity. Five bids were received, with no response from the MBE.
- c. The pricing offered represents a 45% decrease from the last contract award in May 2008. The estimated quantity for the new contract resulted in a volume discount, thereby reducing the unit costs of these components. AWU has added eight more trucks that may need hydraulic repairs.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Kinloch Equipment and Supply, Inc. is not the current supplier of these products.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.