

AGENDA



Thursday, August 27, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 40**

Subject: Authorize award and execution of a contract with SHERMAN & REILLY, INC., Chattanooga, TN for the purchase of 22-inch transmission bundle blocks for Austin Energy in an amount not to exceed \$105,450.

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: Gabriel Guerrero, Buyer II, 322-6060

Purchasing Language: Lowest bid of four 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 a total of 37 each 22-inch transmission bundle blocks used by Austin Energy's Overhead Transmission personnel to install new transmission wire or remove old wire between transmission poles.

The blocks are temporarily attached to support arms that hold the wire on transmission poles and are used to pull or roll the wire from pole to pole. Once the wire is attached to the insulator mounted on the support arms, the blocks are removed for reuse on other projects.

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred seventy-four notices were sent, including four MBEs and five WBEs. Four bids were received, with no response from the MBE/WBEs.
- c. This is the first purchase of this size of blocks in the last 20 years; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

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