

AGENDA



Thursday, November 18, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 38

Subject: Authorize award and execution of two 36-month requirements supply contracts for the purchase of ductile iron fittings and pipe joint restraints of various sizes for the Austin Water Utility with: TECHLINE PIPE L.P., Austin, TX, in an estimated amount not to exceed \$310,836, with three 12-month extension options in an estimated amount not to exceed \$103,612 per extension option, for a total estimated contract amount not to exceed \$621,672, and with HD SUPPLY WATER WORKS, Round, TX, in an estimated amount not to exceed \$100,431, with three 12-month extension options in an estimated amount not to exceed \$33,477 per extension option, for a total estimated contract amount not to exceed \$200,862.

Amount and Source of Funding: Funding in the amount of \$86,343 is available in the Fiscal Year 2010-2011 Operating Budget of the Austin Water Utility. Funding for the remaining 26 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: Steve Aden, Purchasing Manager, 974-2021.

Purchasing Language: Lowest two bids 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.

Prior Council Action: Recommended by the Water and Wastewater Commission.

These contracts will provide the Austin Water Utility (AWU) a readily available supply of ductile iron fittings and pipe joint restraint devices. The items will be ordered on an as needed basis and stored at AWU's Webberville Storeroom and Glen Bell Service Center.

The ductile iron fittings will be used by maintenance crews for repairs of existing water lines on an as needed basis. The pipe joint restraint devices are used to hold the fittings in place. The fittings and restraints are also used for installation of hydrants and by construction crews for new water lines.

MBE/WBE solicited: 2/2

MBE/WBE bid: 1/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety notices were sent, including two MBEs and two WBEs. Four bids were received, including one MBE. Two "No Bid" responses were received.
- c. The pricing offered represents a 30% increase to the last purchase made in August 2008. This can be attributed to the rising cost for metal products and fuel costs.

APPROVAL JUSTIFICATION

- a. Lowest bids received. Techline Pipe is one of the current suppliers of these products.

- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and Internet.