

AGENDA



Thursday, December 9, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 34

Subject: Authorize award, negotiation, and execution of a 24-month requirements service contract with GRUENE ENVIRONMENTAL CONSTRUCTION, LLC, New Braunfels, TX, or one of the other qualified offerors to RFP No. DKC0019, to provide remediation of hazardous spills in an estimated amount not to exceed \$580,646, with three 12-month extension options in an estimated amount not to exceed \$290,323 per extension option, for a total estimated contract amount not to exceed \$1,451,615.

Amount and Source of Funding: Funding in the amount of \$217,742 is included in the Fiscal Year 2010-2011 Operating Budget of Austin Energy. Funding for the remaining 15 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: Dolores Castillo, Sr. Buyer/512-322-6466

Purchasing Language: Best evaluated proposal of five proposals 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.

This contract is for emergency and non-emergency remediation of hazardous spills. Austin Energy (AE) owns and operates high voltage network and substation transformers, and lower voltage overhead and padmount transformers located throughout the AE service area. Some of the transformers and other oil filled electrical equipment contain polychlorinated biphenyls (PCBs). AE is required by local, state, and federal regulatory agencies to respond to spills from leaking transformers and other hazardous material sources. AE requires the services of a contractor to respond quickly to oil spills from electrical equipment to stop the spill, contain the spill, and remediate the spill to levels required by state and federal environmental regulations.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

MBE/WBE Solicited: 4/8

MBE/WBE Bid: 0/0

PRICE ANALYSIS

a. Adequate competition.

b. Ninety-seven notices were sent, including four MBEs and eight WBEs. Five proposals were received, with no response from the MBE/WBEs.

APPROVAL JUSTIFICATION

- a. Best evaluated proposal. Gruene Environmental Construction, LLC is not the current provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.