

AGENDA



Thursday, December 9, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 39

Subject: Authorize award and execution of a 24-month requirements supply contract with TECHLINE, INC., Austin, TX, for the purchase of decorative street lights in an estimated amount not to exceed \$1,274,892, with three 12-month extension options in an estimated amount not to exceed \$637,446 per extension option, for a total estimated contract amount not to exceed \$3,187,230.

Amount and Source of Funding: Funding in the amount of \$531,205 is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy. Funding for the remaining 14 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: Gage Loots, Buyer II/512-322-6118

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.

This contract will provide various styles of decorative street lights for Austin Energy for new construction and replacements for existing areas. Each light is composed of a lamp pole, pole base cover, and luminaire assembly. Decorative lighting has been selected by developers for various subdivision and public projects in the Austin Energy service area including Avery Ranch, Sunset Valley, East Cesar Chavez, and Mueller. The developer pays for the cost difference between a conventional lighting system and a decorative system. This cost varies from location to location, as well as fixture to fixture due to spacing criteria, terrain, and home owner's association agreements. Austin Energy maintains the decorative poles that are not behind a meter. If a decorative pole is damaged, the responsible party pays for replacement.

MBE/WBE solicited: 2/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Eighty-one notices were sent, including two MBEs and one WBE. Four bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 13% increase to the last contract award made in March 2005. The increase is due to the rise in the cost of metal products.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Techline, Inc. is the current supplier of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.

c. Advertised on the Internet.