Thursday, December 16, 2010

Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 43

Subject: Authorize award and execution of two 12-month requirements supply contracts for the purchase of brass fittings of various types and sizes for the Austin Water Utility with TECHLINE PIPE, LP, Austin, TX, in an estimated amount not to exceed \$189,607, with three 12-month extension options in an estimated amount not to exceed \$189,607 per extension option, for a total estimated contract amount not to exceed \$758,428; and HD SUPPLY WATERWORKS, Round Rock, TX, in an estimated amount not to exceed \$83,276, with three 12-month extension options in an estimated amount not to exceed \$83,276 per extension option, for a total estimated contract amount not to exceed \$333,104.

Amount and Source of Funding: Funding in the amount of \$227,403 is available in the Fiscal Year 2010–2011 Operating Budget of the Austin Water Utility. Funding for the remaining two 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 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.

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

These contracts are for the supply of brass fittings for the Austin Water Utility (AWU). The line maintenance, construction, and field services divisions use these fittings in water services installation and repair. These parts are necessary to make the connection between the water main and the water service line by providing a reliable source of supply of various size and type of brass fittings. This contract will enable service crews to connect new customer accounts and/or repair existing customer line breaks.

MBE/WBE solicited: 7/2 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred and fifty-four notices were sent, including seven MBEs and two WBEs. Four bids were received, with no response from the MBE/WBEs. Three "No Bid" responses were received.
- c. The pricing offered represents a 2% decrease in the average unit prices per/line item of the previous contract awarded November 2006.

APPROVAL JUSTIFICATION

- a. Lowest bids received. None of the recommended awardees are current providers of these parts.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.