Thursday, March 3, 2011

## Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 18

**Subject:** Authorize award and execution of a 24-month requirements service contract with USIC LOCATING SERVICES, INC., Carmel, IN for underground utility locating services in an estimated amount not to exceed \$713,500 with three 12-month extension options in an amount not to exceed \$356,750 per extension option, for a total contract amount not to exceed \$1,783,750.

**Amount and Source of Funding:** Funding in the amount of \$208,104 is available in the Fiscal Year 2010-2011 Operating Budget of Austin Energy. Funding for the remaining 17 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 three bids 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 will provide Austin Energy (AE) with ready access to equipment, materials, and qualified personnel to safely and effectively provide underground utility locating services. The contractor shall respond, as required, to all excavation notices directed to AE through the Texas One-Call Center or any other source in accordance with the current Texas Underground Facility Damage Prevention and Safety Act. Services include, but are not limited to painting, flagging, and/or staking of utility lines in accordance with the current state and AE specifications. These services are required for the purpose of safeguarding underground and subsurface facilities from excavation damage.

MBE/WBE solicited: 3/2 MBE/WBE bid: 0/0

## PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty notices were sent including three MBEs and two WBEs. Three bids were received with no responses from the MBE/WBEs.
- c. The pricing offered represents a 3% decrease from the last contract award made in December 2006.

## APPROVAL JUSTIFICATION

- a. Lowest bid received. USIC Locating Services, Inc. is not the current provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.