

AGENDA



Thursday, March 3, 2011

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 20**

Subject: Approve ratification of a contract with PEABODY GENERAL CONTRACTORS, INC. (WBE/FW), Dripping Springs, TX for the emergency repair of a 24-inch water valve for the Austin Water Utility (AWU) for a total contract amount not to exceed \$72,000.

Amount and Source of Funding: Funding is available in the Fiscal Year 2010-2011 Operating Budget of the Austin Water Utility.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Sydney Ceder, Sr. Buyer, 974-2035

Purchasing Language: Emergency Purchase.

MBE/WBE: This contract was awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). This was an emergency service contract; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.

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

On November 16, 2010, a 24-inch water valve located in the intersection of Oltorf Street and Shriber Road was broken and due to this break a large section of the Austin Water Utility's distribution system had to be shut down in the event of a main break. In addition, the inoperability of this valve was delaying a Watershed Protection project, which would have caused significant delay claims from the contractor if the situation had not been resolved. Due to the specialized construction methods required, the scope of repairs was beyond the capabilities of the Utility's workforce.

Due to the emergency nature of this project and to preserve the City's property and the time involved in advertising for these services, competitive bids were not obtained under the provisions of Local Government Code, but an informal bidding process was conducted. Four firms were contacted and Peabody General Contractors, Inc. was the lowest bidder. A purchase order was issued to Peabody General Contractors, Inc. on November 17, 2010 in order for the contractor to begin the work.

PRICE ANALYSIS

- a. Adequate competition.
- b. No notices were sent due to the emergency nature of the project. Four bids were received including one WBE and two MBEs.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bid received.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.