

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

10849

Agenda Number

34.

Meeting Date:

December 8, 2011

Department:

Purchasing

Subject

Authorize award and execution of a 12-month requirements supply contract with ALAMO IRON WORKS, San Antonio, TX, for the purchase of steel reinforcing bar (rebar) for Austin Energy in an estimated amount not to exceed \$109,653 with four 12-month extension options in an estimated amount not to exceed \$109,653 per extension option, for a total estimated contract amount not to exceed \$548,265.

Amount and Source of Funding

Funding in the amount of \$82,239 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining three 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.

Purchasing
Language:

Lowest bid of two bids received.

Prior Council
Action:



For More
Information:

Gage Loots, Buyer II/512-322-6118

Boards and
Commission
Action:

Recommended by the Electric Utility Commission.

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.

Related Items:



Additional Backup Information

This contract will provide Austin Energy (AE) with various lengths, gauges, and configurations of steel reinforcing bar (rebar) to be purchased on an as-needed basis. Rebar is used as a tensioning device in the construction of concrete and masonry structures. By itself, concrete is a material that is very strong in compression, but relatively weak in tension. To compensate for this imbalance in concrete's behavior, rebar is cast into it in order to carry tensile loads. This combination allows for concrete to be made into almost any shape and size for the construction industry. AE will use the rebar for various projects including construction of substations, and foundations for pad-mounted transformers and transmission equipment.

MBE/WBE solicited: 2/1

MBE/WBE bid: 0/0

BID TABULATION

IFB No. GAL0026REBID
Steel Reinforcing Bar (Rebar) Annual Agreement
(20 – line items)

<u>Vendor</u>	<u>Total Bid Amount</u> □ <u>12 months</u>
Alamo Iron Works San Antonio, TX	\$109,652.50
Texas Metal Technologies Kerens, TX	\$130,497.50

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Fifty notices were sent, including two MBEs and one WBE. Two bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 27.5% increase to the last contract award made August 2006. The price increase is due to higher prices for steel as supported by the Producer Price Index (PPI) for steel mill products; which has increased 30.3% since the previous contract's prices were established.

APPROVAL JUSTIFICATION

- a. Lowest bid. Alamo Iron Works is the current provider of these goods.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.