

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

11168

Agenda Number

32.

Meeting Date:

December 15, 2011

Department:

Purchasing

Subject

Authorize award and execution of Amendment No. 2 to a requirements supply contract with ALTEC INDUSTRIES, St. Joseph, MO, to increase the contract amount for repairs to leased truck-mounted aerial devices and digger derricks, in an estimated amount not to exceed \$120,000, for a revised total estimated contract amount not to exceed \$2,062,475.

Amount and Source of Funding

Funding in the amount of \$40,000 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining sixteen months of this contract period is contingent upon available funding in future budget.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

**Purchasing
Language:**

Contract Amendment.

**Prior Council
Action:**

August 30, 2007 – Approved 60-month contract.

**For More
Information:**

Gabriel Guerrero, Buyer II /322-6060

**Boards and
Commission
Action:**

Recommended by the Electric Utility Commission.

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.

Related Items:

Additional Backup Information

This additional funding is requested to cover any incidental damages which may occur for the remainder of the contract period, per Austin Energy's (AE) lease agreement, including broken mirrors, windshields, lights and light covers, lower jib covers and brackets, lower control covers, plus labor for the repairs. The lease agreement requires that all incidental repairs for this equipment be performed by Altec Industries and costs for such repairs are billed to AE. Now that a record of repairs has been established, AE is requesting repair funds through the remainder of the primary contract.

This contract was competitively bid and awarded in 2007 to provide leasing services of 11 equipment items including articulating aerial towers, digger derricks, aerial devices and manlifts mounted on truck chassis. The contract includes all regular maintenance as well as loaner equipment should leased equipment be unavailable for more than a week. At the end of the contract the equipment will be returned to the vendor. The contract period will not expire until February 2014 as the contract period did not begin until AE received delivery of the original leased units in February of 2009. This deferral of delivery caused the need for extension of the related repairs. Amendment No. 1 increased the contract authorization to cover incidental damages to the leased units which were the responsibility of AE in the amount of \$40,000. This recommended Council action is for the approval of Amendment No. 2 to increase the contract by an amount not to exceed \$120,000, or \$40,000 annually for the remaining three years of the contract.

Contract Summary

Action	Description	Amount
Original Contract awarded 08/30/2007	Original 60-month contract	\$1,902,475
Amendment No. 1	Administrative Increase to allow for payment of incidental damages such as cracked windshields, lights, mirrors, etc.	\$ 40,000
Proposed Amendment No. 2	Approve an increase to the contract for incidental damages for \$40,000 per year	\$ 120,000
Total Revised Contract Amount		\$2,062,475