

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	14309	Agenda Number	45.
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Meeting Date:	April 26, 2012
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Department:	Purchasing
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Subject

Authorize award and execution of a 36-month requirements service contract with ASPLUNDH TREE EXPERT CO. for transmission utility line clearance services in an estimated amount not to exceed \$6,000,000, with two 12-month extension options in an estimated amount not to exceed \$2,000,000 per extension option, for a total estimated contract amount not to exceed \$10,000,000.

Amount and Source of Funding

Funding in the amount of \$833,333 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 31 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 received.
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Prior Council Action:	
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For More Information:	
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Boards and Commission Action:	Recommended by the Electric Utility Commission.
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Related Items:	
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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) through the achievements of Good faith Efforts with 9.28% MBE and 5.72% WBE subcontractor participation.
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Additional Backup Information

This agreement will provide Austin Energy (AE) with professional transmission line clearance services providing scheduled vegetation maintenance and storm restoration capabilities, which requires specialized equipment and staff with specialized training. By utilizing contractors, AE is able to ramp up and down the workforce to meet the needs based on seasonal growth fluctuations throughout the year, unexpected needs resulting from storms, and budget constraints. Tasks will include but shall not be limited to tree pruning and/or removal of various types of vegetation growing around AE's energized electrical lines, utility easements and rights-of-way. The work sites will generally consist of the geographical area encompassing all of the transmission corridors used by AE within and outside of AE's electrical service territory. This work is extremely important to ensure public and worker safety, electric service reliability and overall customer satisfaction. If this line clearance is not maintained it could result in increased electrical accidents, wildfire ignitions, reduced customer satisfaction, increased tree caused interruptions, large Federal fines, and reduced reliability. This contract is requirements based, thus the annual expenditures will be based on budget and required work. The contract amount is an estimated not to exceed threshold and not a guarantee of any actual annual amount of work.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

BID TABULATION
IFB SMH0122REBID
(71 line items)

<u>Vendor</u>	<u>Total Bid Amount *</u>
Asplundh Tree Expert Co Corpus Christi, TX	\$4,834,953.76
Wright Tree Service Inc. Des Moines, IA	\$5,257,425.26
Davey Tree Surgery Co Livermore, CA	\$5,723,432.34

*Bid amount for evaluation purposes only, contract award amount was stated in the solicitation

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. Twelve notices were sent including one MBE. There are no known WBEs for this commodity code. Three bids were received.
- c. The pricing offered represents a 1.8% decrease from the last contract awarded in August 2006.

APPROVAL JUSTIFICATION

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

c. Advertised on the Internet.