

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	24128	Agenda Number	42.
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Meeting Date:	May 23, 2013
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Department:	Purchasing
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## Subject

Authorize award and execution of four, 36-month requirements supply contracts with BADGER METER INC., MUELLER SYSTEMS LLC, TEXAS IRRIGATION SUPPLY, and TECHLINE PIPE, to provide lead free water meters and gate valves for the Austin Water Utility Department, in an estimated amount not to exceed \$3,750,000, each and combined with three 12-month extension options in estimated amounts not to exceed \$1,250,000 per extension option, each and combined, for a total estimated contract amount not to exceed \$7,500,000, each and combined.

## Amount and Source of Funding

Funding in the amount of \$416,667 is available in the Fiscal Year 2012-2013 Operating Budget of the Austin Water Utility Department. Funding for the remaining 32 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 bids meeting specifications received.
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Prior Council Action:	
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For More Information:	Erin D'Vincent, Buyer II /972-4017
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Boards and Commission Action:	May 8, 2013 - Unanimously approved by the Water and Wastewater Commission on a 7-0 vote. Recommendation 20130508-D1.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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## Additional Backup Information

This contract is for the supply of various types and sizes of lead free water meters and ball and gate valves for the Austin Water Utility to be installed within the water distribution system on an as needed basis. The water meters supply data to establish revenue billing for the City of Austin and the valves are used to control the flow of water in water and wastewater main lines. In addition, by monitoring water meters the City will also be able to verify water leaks in the distribution system, gallons used per customer, and demand during peak and non-peak times. The information gathered is vital to the Utility's commitment in keeping satisfied customers. The water meters will be purchased on an as needed basis and stocked at the Austin Water Utility's Webberville Center and South East Service Center Storeroom to ensure an adequate supply of valves are available for emergency repair and routine maintenance.

MBE/WBE solicited: 6/1

MBE/WBE bid: 0/0

**BID TABULATION**

IFB No. EAD0214

Lead Free Water Meters and Gate Valves  
(31 line items)

<b><u>Vendor</u></b>	<b><u>Number of Line Items Bid</u></b>	<b><u>Number of Line Items Awarded</u></b>	<b><u>Total Annual Award</u></b>
Badger Meter Inc. Milwaukee, WI	14	14	\$1,021,651.21
Mueller Systems LLC Cleveland, NC	8	3	\$184,195.60
Texas Irrigation Supply Round Rock, TX	13	13	\$21,275.05
Techline Pipe Hutto, TX	1	1	\$5,890.50
Aqua Metric Schertz, TX	14	0	No Award
Ferguson Waterworks Georgetown, TX	13	0	No Award
Capitol Bearing Service Round Rock, TX	*	*	*

\*Capitol Bearing Service was disqualified for not submitting the required forms or certifications as required by the solicitation.

The expenditures for the first 12 months of this contract are estimated to be \$1,250,000.00. A copy of the 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. One hundred forty-eight notices were sent including six MBEs and one WBE. Seven bids were received with no response from the MBEs or WBE.
- c. The pricing offered represents at 35.89% increase from the same 31 line items ordered off of last five contracts awarded between 2010 and 2012. The price increase is due to the new low lead requirement.

**APPROVAL JUSTIFICATION**

- a. Lowest bids meeting specifications.
- b. The Purchasing Office concurs with the Austin Water Utility Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.