

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	24771	Agenda Number	42.
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Meeting Date:	June 6, 2013
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Department:	Purchasing
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## Subject

Authorize negotiation and execution of a 24-month requirements service contract with SIEMENS INDUSTRY, INC., for wooden utility pole inspection services for Austin Energy in an amount not to exceed \$517,440, with three 12-month extension options in an amount not to exceed \$258,720 per extension option, for a total contract amount not to exceed \$1,293,600.

## Amount and Source of Funding

Funding in the amount for \$64,680 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy. Funding for the remaining 21 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:	Gabriel Guerrero, Buyer II, 512-322-6060
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Boards and Commission Action:	May 20, 2013 - Unanimously approved by the Electric Utility Commission on a vote of 7-0, Recommendation No. 20130520-004.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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## Additional Backup Information

The work provided through this contract will provide Austin Energy (AE) with a continuous maintenance program for extending the average service life of wooden utility poles in the AE service area. The contract includes inspection, preservative treatment, and identification of the condition of distribution poles currently in service. At a minimum, all poles will be visually inspected; poles 8 to 10 years old will be visually inspected and treated; and poles 11 years and older (and not rejected) will be visually inspected, fully excavated and inspected and treated in place. Poles that have deteriorated beyond acceptable standards due to internal and/or external decay or infestation will be replaced by AE personnel.

This pole maintenance contract will save money by reducing unnecessary replacements and adding additional years of durable service life to utility poles. Another major benefit of this contract is increased public safety and the safety of AE personnel responsible for climbing poles to make repairs.

Work will be scheduled by AE personnel on a circuit-by-circuit basis. All treatment materials are non-carcinogenic and include appropriate Environmental Protection Agency (EPA) registered labels stipulating use, handling procedures, emergency procedures, warnings, and disposal methods.

MBE/WBE Solicited: 4/3

MBE/WBE Bid: 0/0

**BID TABULATION**  
**IFB No. GAL0043**  
**Wood Pole Inspection Services**  
**(10 Line Items)**

<b><u>VENDOR</u></b>	<b><u>Total Annual Amount</u></b>
Siemens Industry, Inc. Grand Prairie, TX	\$258,720
Quality Pole Inspection & Maintenance Inc. Edna, TX	\$488,723
Texas Utility Engineering, Inc. San Antonio, TX	\$635,232

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

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Seventy-seven notices were sent, including four MBEs and three WBEs. Three bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 0% increase to the last contract awarded in February 2010.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received. Siemens Industry is not the current provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.