

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	25579	Agenda Number	60.
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Meeting Date:	August 8, 2013
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Department:	Purchasing
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## Subject

Authorize award and execution of two 36-month requirements supply contracts for the purchase of copper and polyethylene pipe for the Austin Water Utility with FERGUSON ENTERPRISES, INC. dba FERGUSON WATERWORKS, in an amount not to exceed \$51,660, with two 12-month extension options in an amount not to exceed \$17,220 per extension option, for a total contract amount not to exceed \$86,100; and with HD SUPPLY WATER WORKS in an amount not to exceed \$43,665, with two 12-month extension options in an amount not to exceed \$14,555 per extension option, for a total contract amount not to exceed \$72,775.

## Amount and Source of Funding

Funding in the amount of \$2,648 is available in the Fiscal Year 2012 – 2013 Operating Budget of the Austin Water Utility. Funding for the remaining 35 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:	Low bids received.
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Prior Council Action:	
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For More Information:	Stephen Aden, Purchasing Manager, 972-4040
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Boards and Commission Action:	July 10, 2013 – Approved by the Water and Wastewater Commission on a 6-0 vote.
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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 Program). No subcontracting opportunities were identified; therefore no goals were established for this solicitation.
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## Additional Backup Information

These contracts will provide for the readily available supply of copper pipe and polyethylene pipe required to conduct daily operations by the Austin Water Utility. This contract will be used to procure both types of pipe on an as needed basis for storage at the Austin Water Utility's Webberville Center and Glen Bell Service Center.

Copper pipe and polyethylene pipe of various sizes are used by pipeline maintenance crews, construction rehabilitation crews, valve and hydrant crews, as well as the treatment plants in the installation and repair of water lines. Copper pipe and polyethylene pipe are approved by the National Sanitation Foundation (NSF) and required by the Texas Commission on Environment Quality (TCEQ) for use on water mains. Both types of pipe are durable and long lasting and are used to connect and repair distribution lines from the main line to the customer's meters and allows for easier repairs and maintenance.

MBE/WBE solicited: 7/6

MBE/WBE bid: 0/0

**BID TABULATION**

IFB NO. STA1059

Copper and Polyethylene Pipe  
(9 line items)

<b><u>VENDOR</u></b>	<b><u>TOTAL BID ITEMS BID</u></b>	<b><u>TOTAL AWARD ITEMS AWARDED</u></b>
Ferguson Enterprises, Inc. Georgetown, TX	\$35,045.00 (1 through 9)	\$17,220 (6 through 9)
HD Supply Water Works Pflugerville, TX	\$14,555 (1 through 5)	\$14,555 (1 through 5)

\*Award was based upon low unit price per/line item for a 12-month period.

**NOTE:** Complete bid tabulation is on file in the Purchasing Office and is on the City of Austin's, FASD Purchasing Office website.

**PRICE ANALYSIS**

- Adequate competition.
- Sixty-seven notices were sent, including seven MBE and six WBE firms. Two bids were received with no MBE or WBE firms responding. One "No Bid" response was received.
- The pricing offered represents an average increase of 13% per line item from the last contract awarded in May 2010. This increase can be attributed to volatility in the metal market from previous years.
- Neither of the firms are current providers.

**APPROVAL JUSTIFICATION**

- Lowest bids received.
- The Purchasing Office concurs with The Austin Water Utility's recommended award.
- Advertised in the Austin American-Statesman and on the Internet.