

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	28415	Agenda Number	22.
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Meeting Date:	November 7, 2013
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Department:	Purchasing
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Subject

Authorize award and execution of a six-month requirements supply agreement with HINKEL EQUIPMENT RENTAL ASSOCIATES, INC., for the lease of a 150-foot aerial device for Austin Energy in an amount not to exceed \$194,000, with one six-month extension option in an amount not to exceed \$171,000, for a total contract amount not to exceed \$365,000.

Amount and Source of Funding

Funding in the amount of \$365,000 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy.

Fiscal Note

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

Purchasing Language:	Sole bid received.
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Prior Council Action:	
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For More Information:	Gabriel Guerrero, Buyer II/322-6060
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Boards and Commission Action:	October 21, 2013 - Recommended by the Electric Utility Commission.
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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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Related Items:	
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Additional Backup Information

This contract is for the lease of one 150-foot aerial device to be used by Austin Energy's Transmission Construction and Maintenance Division. The lease of this equipment will allow Austin Energy to meet daily operational requirements while performing maintenance on its aerial devices. The utility owns a 150-foot and a 165-foot aerial device which were purchased five and seven years ago, respectively. The equipment is undergoing a complete maintenance check which includes multiple computer backups to ensure safety in stabilization, lifting operations, and other system checks. The leased aerial device will ensure everyday coverage while necessary maintenance is performed on Austin Energy's aerial devices. The price for the initial six-month term includes monthly lease charges plus a one-time delivery and pick up fee of \$23,000.

MBE /WBE Solicited: 16/25

MBE /WBE Bid: 0/0

BID TABULATION

IFB No. GGU0123

150 foot Aerial Device

(2 – line items)

VENDOR

TOTAL BID AMOUNT □ 6 MONTHS

Hinkel Equipment Rental Associates, Inc.
Huntingdon Valley, PA

\$194,000

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. Sole bid. This is very specialized piece of equipment with only three known providers. All three were contacted and Hinkel Equipment was the only company with this specific piece of equipment available for lease.
- b. Nine hundred and sixty-six notices were sent, including sixteen MBEs and twenty-five WBEs. One bid was received, with no response from the MBE /WBE.
- c. This is the first lease of this size of aerial device; therefore, there is no pricing history available

APPROVAL JUSTIFICATION

- a. Sole bid.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.