

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	67268	Agenda Number	29.
Meeting Date:		February 2, 2017			
Department:		Purchasing			
Subject					
Authorize award and execution of a 36-month contract with INDUSTRIAL DISTRIBUTION GROUP INC. DBA ALAMO IRON WORKS, to provide reinforcing steel, in an estimated amount of \$844,870, with two 12-month extension options in an estimated amount of \$325,017 for the first extension option and \$357,518 for the second extension option, for a total contract amount not to exceed \$1,527,405.					
Amount and Source of Funding					
Funding in the amount of \$45,333 is available in the Fiscal Year 2016-2017 Operating Budget of the Watershed Protection Department. Funding in the amount of \$133,333 is available in the Fiscal Year 2016-2017 Operating Budget of the Public Works Department. Funding for the remaining 28 months of the original contract period and extension options are contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	The Purchasing Office issued Invitation for Bids (IFB) KDS0101 for these goods on September 26, 2016 and it closed on October 18, 2016 with one offer received. The recommended offer is the sole offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these goods.				
Prior Council Action:					
For More Information:	Kimberley Scannell, Buyer II, 512-974-2261				
Boards and Commission Action:					
Related Items:					
MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were insufficient subcontracting				

opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide the Public Works Department and Watershed Protection Department with various sizes, lengths, and gauges of reinforcing steel rebar and wire mesh for use in the construction of reinforced concrete and masonry structures on an as-needed basis. By itself, concrete is a material that is very strong in compression, but relatively weak in tension. To compensate for this imbalance in concrete's behavior, rebar and wire mesh is cast into it in order to carry tensile loads. This combination allows for concrete to be made into almost any shape and size. Material is primarily used for new construction and repairs of sidewalks, street pavements, driveway approaches, curbs and gutters, and retaining walls.

This contract replaces an existing contract that expired August 8, 2016. In the interim, purchases have been made as needed by obtaining competitive quotes. Public Works anticipates a large increase in the reinforcing steel needed due to work order backlogs, an increase in staff and equipment due to the number of projects to be completed in upcoming years, and an increase in revenue repairs from City departments. In addition, Public Works anticipates an additional increase due to the Austin Mobility bond that was approved November 8, 2016.

If the City is unable to enter into a contract, Public Works will have to make small purchases on an as-needed basis and will not be able to take advantage of volume discounts and quicker turnaround time on orders. Construction and repairs may be delayed.

BID TABULATION

IFB KDS0101

Reinforcing Steel (Rebar and Wire Mesh)

13 Line Items

<u>VENDOR</u>	<u>TOTAL BID</u>	<u>TOTAL AWARDED</u>
Alamo Iron Works	\$268,000	\$268,000 9 of 13 line items

A complete solicitation package, including a bid tabulation, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

INDUSTRIAL DISTRIBUTION INC. dba ALAMO IRON WORKS				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	\$ 844,870	n/a	n/a
Extension Option 1	12	\$ 325,017	n/a	n/a
Extension Option 2	12	\$ 357,518	n/a	n/a
TOTAL	60	\$ 1,527,405	\$ -	\$ -