



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 15
AGENDA DATE: Thu 04/01/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with ENVIRONMENTAL IMPROVEMENTS INC., Buda, TX for Wallace & Tiernan replacement and repair parts for the Austin Water Utility in an amount not to exceed \$79,000, with two 12-month extension options in an amount not to exceed \$79,000 per extension option, for a total agreement amount not to exceed \$237,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$39,500 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Austin Water Utility. Funding for the remaining six months 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.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Austin Water Utility; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Stephen T. Aden, Supervising Senior Buyer, 974-2021

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Sole Source.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract establishes an annual supply agreement with Environment Improvements Inc. for various types of replacement and repair parts such as gaskets, bearings, retaining rings, tubing, maintenance kits, couplings, washers, belts, and clamps for Austin Water Utility. These parts are used to repair Wallace & Tiernan equipment. Some of the equipment is used in the treatment of water to ensure safe drinking water and other equipment is used to treat wastewater. The Wallace & Tiernan equipment includes chlorinators, vacuum regulator automatic switchover units, direct feed ammoniators, metering pumps, evaporators, lime slakers and solution feeders.

This contract will provide a continuous supply of parts for Wallace & Tiernan equipment repairs and reduce equipment down time.



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BID TABULATION

IFB NO. SA04100027

**Wallace & Tiernan Replacement and Repair Parts
Annual Estimated Budget - \$79,000**

<u>Vendor</u>	<u>DISCOUNT OFFERED</u>	<u>BID PRICE OF SAMPLED ITEMS*</u>
Environmental Improvements Inc. Buda, TX	0%	\$2,843.67

The bidder has not offered a discount from the Wallace & Tiernan Published Price List since 1997.
*For evaluation purposes, the bidder was asked to provide prices on a sampling of 16 parts to be purchased under this agreement.

PRICE ANALYSIS

- Sole Source. The recommended vendor is the regional representative for the manufacturer, Wallace & Tiernan.
- A product sampling was conducted for a unit price comparison of 16 items from the previous contract, which was awarded in 2001. This contract's unit pricing represents an average increase of 29%.

APPROVAL JUSTIFICATION

- Sole Source.
- The Austin Water Utility concurs with the recommended award herein.