



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 22
AGENDA DATE: Thu 08/26/2004
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SUBJECT: Authorize execution of two revenue contracts with AUSTIN METAL & IRON, Austin, TX, in an amount of \$64,780; and with A & R DEMOLITION, Del Valle, TX, in an amount of \$7,300, for the one-time sale of miscellaneous steel, for a total amount of \$72,080.

AMOUNT & SOURCE OF FUNDING: Revenue will be included in the Fiscal Year 2004-2005 Operating Budget of the Electric Utility Department.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

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

FOR MORE INFORMATION CONTACT: Dolores Castillo (512)322-6466

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Best bids of three bids received.

MBE / WBE: N/A

These are two revenue contracts for the disposal of obsolete steel and steel products such as galvanized angles in various lengths and sizes, foundation cages and rebar, galvanized tubular steel transmission poles and arms, transmission tower cages and arms, galvanized steel light poles and arms, and used conductor wire. The cages and rebar are parts from poles that were used in different configurations and do not meet current performance requirements. The light poles and arms do not meet the current performance specifications or have been damaged through dismantling or by vehicle accidents. The used conductor wire was removed from the electrical system and replaced with a larger grade of conductor. The contractors will provide all services to complete the removal and disposal of these steel items which includes all material handling equipment, personnel and transportation.

MBE/WBE Solicited: 5/2

MBE/WBE Bid: 0/0



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BID TABULATION

Sale of Miscellaneous Steel
Approx. 883,000 lbs
IFB No. DC04300019

<u>DESCRIPTION</u>	<u>QTY/LBS</u>	<u>Austin Metal & Iron Austin, TX</u>	<u>A & R Demolition Del Valle, TX</u>	<u>Techline Inc. Austin, TX</u>
Galv. Angle	200,000	\$3,100	\$2,000	No Bid
Foundation Cages	4,000	No Bid	\$400	No Bid
Galv. Tubular Poles	500,000	No Bid	\$5,000	No Bid
Lattice Tower cages	80,000	No Bid	\$800	No Bid
Light Poles	50,000	No Bid	\$500	No Bid
795 Conductor Wire	160,000	\$61,680	\$1,600	\$10,000
Galv. Pole arms	40,000	\$102	\$400	No Bid
Galv Pole Sections	20,000	\$51	\$200	No Bid

PRICE ANALYSIS

- Adequate competition.
- Ten notices were issued including five MBEs and two WBEs. Three solicitations were issued and three bids were received. MBEs/WBEs did not respond.
- Price comparison is not available since Austin Energy has not sold these types of items prior to this sale.

APPROVAL JUSTIFICATION

- Highest bidders (revenue-producing contracts).
- The Electric Utility Department concurs with this award.
- Advertised on the Internet.