

A U S T I N C I T Y C O U N C I L

# AGENDA



Thursday, July 27, 2006

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**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

**ITEM No. 54**

**Subject:** Authorize award and execution of a 12-month requirements supply contract with LUFKIN CREOSOTING COMPANY, INC., Lufkin, TX, for pressure treated wood poles in an estimated amount not to exceed \$914,596, with four 12-month extension options in an estimated amount not to exceed \$914,596 per extension option, for a total estimated contract amount not to exceed \$4,572,980.

**Amount and Source of Funding:** Funding in the amount of \$152,433 is available in the Fiscal Year 2005-2006 Amended Operating Budget of Austin Energy. Funding for the remaining 10 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.

**Additional Backup  
Material**

(click to open)

**LUFKIN BID TAB**

**For More Information:** Gabriel Guerrero, Buyer II/322-6060

**Purchasing Language:** Lowest bidder of two bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D 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 is for the supply of pressure treated wood poles for Austin Energy (AE) on an as needed basis. These poles will be used to replenish stock at AE's Kramer and St. Elmo warehouses for Capital Improvement Projects and operation and maintenance. These poles are critical to AE as they are used to support conductors, transformers, and all other associated hardware for the transmission and distribution of electricity.

MBE/WBE Solicited: 1/1 MBE/WBE Bid: 0/0

**PRICE ANALYSIS** a. Adequate competition. b. Twenty-four notices were sent including one MBE and one WBE. Four solicitations were issued. Two bids were received with no response from the MBEs/WBEs. c. The pricing offered represents a 5% increase to the last contract awarded April 2003.

**APPROVAL JUSTIFICATION** a. Lowest bid b. The Purchasing Office concurs with Austin Energy's recommended award. c. Advertised on the Internet.

**CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION  
VENDOR NAME:**

**AGENDA DATE:  
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**BID TABULATION**  
Pressure Treated Wood Poles  
(16 Line Items)  
IFB No. GG06100010

<b><u>VENDOR</u></b>	<b><u>Total Price</u></b>
<b>Lufkin Creosoting Co. Inc. Lufkin, TX</b>	<b>\$914,595.51</b>
<b>R.J. Trading Group Lufkin, TX</b>	<b>\$1,039,477.61</b>