

AUSTIN CITY COUNCIL

AGENDA



Thursday, September 28, 2006

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Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 49

Subject: Authorize award and execution of a contract with AMERON INTERNATIONAL, Phoenix, AZ, for the purchase of steel pipe for the Austin Water Utility in an estimated amount not to exceed \$447,603.

Amount and Source of Funding: Funding is available in the Fiscal Year 2005-2006 Capital Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is attached.

Additional Backup Material

(click to open)

- AMERON_BID.TAB**
- AWU_Fiscal.Note**

For More Information: Steve Aden, Supervising Senior Buyer, 974-2021

Purchasing Language: Lowest bid 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. (Related to item # 12)

This contract is for the purchase of 72-inch steel waterline pipe for the Ullrich water transmission main. This is to facilitate future redevelopment of the Seaholm Power Plant and is necessary for the relocation of the 72-inch water distribution line currently located on the existing Seaholm site. Work on the water main is restricted to the winter months when demand for water is lower. The water main also cannot be taken off-line once the Green Water Treatment plant is decommissioned until new water treatment facilities are completed. In order to avoid delay of the decommissioning of Green Water Treatment Plant, or delay of Seaholm redevelopment until after 2011, the relocation must occur between October 2006 and March 2007.

Current fluctuating steel prices result in quotes for steel pipe that are only valid for 30 days or less. This contract will allow for immediate processing of a purchase order.

The City is currently in preliminary design for the Ullrich project and does not expect significant changes, however, fitting angles, fitting types, or special pipe section lengths might be needed to fine tune the materials list during the submittal review process. Contingency funds of \$58,383(15%), are included in this request and will be used, if needed, to address unidentified existing pipe elevations or slight route shifts as the design is finalized.

MBE/WBE solicited: 4/4 MBE/WBE bid: 0/0

PRICE ANALYSIS a. Adequate competition. b. Forty-nine notices were sent including four MBEs and four WBEs. Five solicitations were issued. Two bids were received with no response from MBEs/WBEs. c. This is the first purchase of this size steel pipe. There is no price history available.

APPROVAL JUSTIFICATION a. Lowest bid. b. The Purchasing Office concurs with the Austin Water utility's

recommended award. c. Advertised in the Austin American-Statesman and on the Internet.

AGENDA DATE: 09/28/06

VENDOR NAME: Ameron International

BID TABULATION
IFB No. SA06100131
(72-INCH STEEL PIPE)

<u>VENDOR</u>	<u>TOTAL BID</u>
Ameron International Phoenix, AZ	\$389,220
Northwest Pipe Company Saginaw, TX	\$400,995

CIP FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

09/28/06
Resolution
Austin Water Utility

DESCRIPTION:

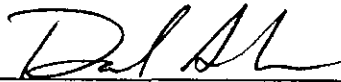
Authorize award and execution of a contract with AMERON INTERNATIONAL, Phoenix, AZ, for the purchase of steel pipe for the Austin Water Utility in an estimated amount not to exceed \$447,603.

FINANCIAL INFORMATION:

Parent Project Name:	Water Unfunded Future
Project Authorization:	2005-06 Approved Capital Budget
Funding Source:	Commercial Paper
Number:	3960 227 1019

Current Appropriation	\$ 352,445,739.00
Unencumbered Balance	119,568,293.81 *
Amount of This Action	<u>(447,603.00)</u>
Remaining Balance	<u>\$ 119,120,690.81</u>
Current Available Balance	\$ 125,172,515.52
Less Outstanding Commitments	<u>(5,604,221.71)</u>
Estimated Unencumbered Balance	<u>\$ 119,568,293.81 *</u>

Utility Finance: _____



David Anders, Utilities Finance Manager

Date: _____

9/15/06

REF. # 3960 227 7794