

## AGENDA



Thursday, April 29, 2010

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**
**Item No. 38**

**Subject:** Authorize award and execution of a 36-month requirements supply contract with MUNICIPAL WATER WORKS, Royse City, TX for the purchase of copper and polyethylene pipe in an estimated amount not to exceed \$423,555, with three 12-month extension options in an estimated amount not to exceed \$141,185 per extension option, for a total estimated contract amount not to exceed \$847,110.

**Amount and Source of Funding:** Funding in the amount of \$58,827 is available in the Fiscal Year 2009-2010 Operating Budget of the Austin Water Utility. Funding for the remaining 31 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.

**For More Information:** Roy Rivers, Buyer II / 974-2596

**Purchasing Language:** Lowest bid meeting specifications of four 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.

**Boards and Commission Action:** Recommended by the Water & Wastewater Commission.

This contract is for the supply of copper pipe and polyethylene pipe required to conduct daily operations by the Austin Water Utility. This contract will be used to procure both types of pipe on an as needed basis.

Copper pipe and polyethylene pipe of various sizes are used by pipeline maintenance crews, construction rehabilitation crews, valve and hydrant crews, as well as the treatment plants in the installation and repair of water lines. Copper pipe and polyethylene pipe are approved by the National Sanitation Foundation (NSF) and required by the Texas Commission on Environmental Quality (TCEQ) for use on water mains. Both types of pipe are durable and long lasting and are used to connect and repair distribution lines from the main line to the customer's meters and allows for easier repairs and maintenance.

A supply of both types of pipe will be stored at the Central Store #2 and the Glen Bell Service Center so crews will have a readily available supply on hand when needed to provide services to the public.

MBE/WBE solicited: 2/9

MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Eighty-five notices were sent, including two MBEs and nine WBEs. Four bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents an average of 57% increase per line item from the last contract awarded in May 2005. This increase can be attributed to the volatility in the metal markets from the previous years.

#### APPROVAL JUSTIFICATION

- a. Lowest bid received meeting specifications. Municipal Water Works is not the current provider of these products.
- b. The Purchasing Office concurs with Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.