

AGENDA



Thursday, August 26, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 31**

Subject: Authorize award and execution of a contract with DIW ENGINEERING AND FABRICATION, LLC, Dewey, OK, for the purchase of three cable reel trailers in an amount not to exceed \$138,600.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Aiden Cohen, Senior Buyer, 972-4008

Purchasing Language: Lowest bid meeting specifications of three 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 Electric Utility Commission.

This contract is for the purchase of three replacement hydraulically-driven cable reel trailer take-up assemblies, including a two-way spool valve capability to be used for laying and retrieving cable. These trailers will be assigned to Austin Energy (AE) for use in the construction and maintenance of overhead distribution electrical lines and street-lighting systems.

AE and Fleet Services reviewed the list of trailers determined eligible for replacement based on mileage, hours of use, and maintenance costs. From that list, priority use was determined within the department, and the proposed equipment was reviewed by the Fleet Service Center Manager to insure the specified equipment is appropriate for the use.

All of these replacement trailers have met the Fleet Officer's eligibility criteria for replacement. The Fleet Service Center Managers have inspected each trailer to be replaced, and determined that the mileage or hours of use for each trailer proposed for replacement cannot be increased without risking a significant increase in repair costs and productivity losses due to down time.

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

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty notices were sent. There are no known MBE/WBEs available for this commodity. Three bids were received.
- c. This is the first recent purchase for these items; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bid received meeting specifications.
- b. The Purchasing Office concurs with Austin Energy's and Fleet Services' recommended award.

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