

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: May 10, 2018

Item Number: **041**

Purchasing Office

Authorize award and execution of a multi-term contract with Techline, Inc. to provide fault indicators and fiber optic leads for up to five years for a total contract amount not to exceed \$2,676,200. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$238,505 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued an Invitation for Bids (IFB) 1100 TVN1019 for these goods. The solicitation issued on January 15, 2018 and it closed on February 1, 2018. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: Solicitation Documents <https://www.ci.austin.tx.us/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=123368> .
For More Information	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <mailto:AgendaOffice@austintexas.gov> NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized

	Contact Person: Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com <mailto:Terry.Nicholson@austinenergy.com>.
Council Committee, Boards and Commission Action	April 16, 2018 - Recommended unanimously by the Electric Utility Commission on a 7-0 vote, with Vice Chair Hadden and Commissioner Reel absent and two vacancies.
Client Department(s)	Austin Energy.

Additional Backup Information:

The contract is for the supply of fault indicators and fiber optic leads to replenish stock at Austin Energy's Kramer and St. Elmo warehouses for immediate issue to crews on an as-needed basis. These items are used when a failure (fault) occurs on an underground electric circuit. The fault indicators are equipped with a small light-emitting diode (LED) that blinks, indicating a fault has occurred. This method of locating underground faults is safer and much faster than manually searching for the fault by opening manholes and transformers. This will help trouble-shooting personnel restore service much faster and at a lower cost.

This contract will replace the previous contract which expired in April 2018 with an average annual expenditure of approximately \$441,223. The additional authority requested represents the average usage over the last three years and includes three new related items not previously under contract. KBS Electrical Distributors Inc. was the previous provider for these goods.

Without this contract, the utility must procure these items through open market purchases at less advantageous pricing.

Contract Detail:

Contract Term	Length	Contract of Term Authorization
Initial Term	1 yr.	\$ 535,240
Optional Extension 1	1 yr.	\$ 535,240
Optional Extension 2	1 yr.	\$ 535,240
Optional Extension 3	1 yr.	\$ 535,240
Optional Extension 4	1 yr.	\$ 535,240
TOTAL	5 yrs.	\$2,676,200

Note:Contract Authorization amounts are based on the City's estimated annual usage.