



**Purchasing Service Agreement  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 23  
AGENDA DATE: Thu 03/03/2005  
PAGE: 1 of 2**

**SUBJECT:** Authorize execution of a 12-month service agreement with KINETRICS INC., Toronto, Canada for testing of conductors and insulators in an amount not to exceed \$100,000, with three 12-month extension options in an amount not to exceed \$100,000 per extension option, for a total agreement amount not to exceed \$400,000.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$50,000 is available in the Fiscal Year 2004-2005 Amended Operating Budget of Austin Energy. Funding for the remaining six 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.

**REQUESTING** Purchasing                      **DIRECTOR'S**  
**DEPARTMENT:**for Austin Energy;      **AUTHORIZATION:** Vickie Schubert

**FOR MORE INFORMATION CONTACT:** Dolores Castillo, Senior Buyer/322-6466

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Best evaluated proposal of two received.

**MBE / WBE:** This contract will be awarded in compliance with Chapter 2-9 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 contract.

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This contract will provide comprehensive testing services for insulators, conductors and related transmission system components for the City's electric power transmission system. Services for transmission line conductor and component testing include in-laboratory visual inspection using digital imaging, tensile and ductility testing, thermal elongation testing, and a comprehensive summary of the laboratory examinations and related analyses. Services for transmission insulators include visual inspections, dissecting samples, and provision of a summary report documenting the findings. These services will assist Austin Energy in evaluating the overall condition, performance, and remaining service life of transmission system equipment, and will allow Austin Energy to develop short-term and long range construction and maintenance plans, based on the condition of equipment. Knowledge of the service condition allows AE to schedule outages for replacement or maintenance of equipment before failures occur, helping to avoid unnecessary disruptions to the City's electric system.

MBE/WBE Solicited: 7/1  
M/WBE Subcontractor Participation: 0%/0%

MBE/WBE Bid: 0/0



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**PROPOSAL ANALYSIS  
RFP # DC05300001**

- a. Adequate competition.
- b. Twelve notices were issued including seven MBEs and one WBE. Six proposals were issued and two proposals were received. The MBEs/WBE did not respond.
- c. There has been no prior solicitation for these services.

**APPROVAL JUSTIFICATION**

- a. Best evaluated proposal.
- b. Austin Energy concurs with the recommended award.
- c. Advertised on the Internet.