



**Purchasing Modification
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 40
AGENDA DATE: Thu 09/29/2005
PAGE: 1 of 1**

SUBJECT: Authorize execution of Amendment No. 2 to a contract with HUGHES SUPPLY, Austin, TX for backfill polyurethane foam in the amount not to exceed \$47,328, for a revised contract amount not to exceed \$85,956 and to each of the two extension options in an amount not to exceed \$47,328, for a revised total contract amount not to exceed \$240,932.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$47,328 is available in the Fiscal Year 2005-2006 Approved Operating Budget (Inventory Fund) of Austin Energy. Funding for the 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: Karen Williams, Buyer II/322-6467

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: This contract was 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 solicitation.

On January 27, 2005, this contract was administratively awarded in the amount of \$30,160 for the purchase of the backfill polyurethane foam for Austin Energy (AE). This foam is used to replenish stock at AE's Kramer and St. Elmo warehouses. The backfill polyurethane foam is used in the holes that AE construction crews drill to install utility poles. The backfill polyurethane foam will be used to provide fill around the utility poles to stabilize them when the ground does not have enough soil.

Amendment No. 1 was executed administratively to increase the contract by \$8,468.00 on August 3, 2005. Amendment No. 2 will increase the contract and the extension options by \$47,328.

In accordance with AE's Purchasing resolution, approved by Council on March 30, 2000, AE may increase a contract by more than 25%, if it is advantageous to do so. Current market pricing is above the contract price, but the Contractor has agreed to hold the contract pricing for the increased volume.

| | Base Contract | Extension # 1 | Extension # 2 | Total Contract |
|-------------------|---------------|---------------|---------------|----------------|
| Original Contract | \$30,160 | \$30,160 | \$30,160 | \$ 90,480 |
| Amendment # 1 | \$ 8,468 | N/A | N/A | \$ 8,468 |
| Amendment # 2 | \$47,328 | \$47,328 | \$47,328 | \$141,984 |
| Total | \$85,956 | \$77,488 | \$77,488 | \$240,932 |