

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	11777	Agenda Number	51.
---------------------	----------	-------	---------------	-----

Meeting Date:	January 12, 2012
---------------	------------------

Department:	Purchasing
-------------	------------

Subject

Authorize award and execution of a 36-month requirements supply contract with TEXAS ELECTRIC COOPERATIVES, Georgetown, TX for the purchase of creosote treated wood utility poles for Austin Energy in an estimated amount not to exceed \$1,505,196 with three 12-month extension options in an estimated amount not to exceed \$501,732 per extension option, for a total estimated contract amount not to exceed \$3,010,392.

Amount and Source of Funding

Funding in the amount of \$376,299 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 27 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.

Purchasing Language:	Lowest bid meeting specification of six bids received.
----------------------	--

Prior Council Action:	
-----------------------	--

For More Information:	Gabriel Guerrero, Buyer II, 322-6060
-----------------------	--------------------------------------

Boards and Commission Action:	Recommended by the Electric Utility Commission.
-------------------------------	---

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.
------------	--

Related Items:	
----------------	--

Additional Backup Information

This contract will provide Austin Energy (AE) with a supply of creosote treated wood utility poles in various sizes from 35 to 70 feet. These poles will be used to replenish stock at AE's Kramer and St. Elmo warehouses for new Capital Improvement Projects as well as to replace existing installed poles as required. The poles are treated with creosote to protect them from rot, fungus and insects.

These poles are necessary to support overhead power line conductor cable, fiber optic cable and related equipment such as transformers, street lights and all other associated hardware for the transmission and distribution of electricity.

MBE/WBE Solicited: 2/0

MBE/WBE Bid: 0/0

BID TABULATION

**IFB No. GGU0096
Creosote Treated Wood Poles
(16 line items)**

<u>VENDOR</u>	<u>Total Estimated Annual Amount</u>
Texas Electric Cooperatives Georgetown, TX	\$487,722.00
Lufkin Creosoting Co. Lufkin, TX	\$540,320.68
Colfax Treating Company LLC Austin, TX	\$569,971.32
RJ Trading Group LTD. Austin, TX	\$661,864.83
Techline Inc. Austin, TX	\$823,083.00
Bridgewell Resources LLC Tigard, OR	*

* Non-responsive, did not meet the minimum requirements of the specification.

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Thirty-two notices were sent including two MBEs. There are no known WBEs for this commodity code. Six bids were received, with no response from the MBEs.
- c. The pricing offered represents a 1.1% increase to the last contract award made in November 2007.

APPROVAL JUSTIFICATION

- a. Lowest bid. Texas Electric Cooperatives is not the current supplier of this product.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.