

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	32781	Agenda Number	18.
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Meeting Date:	May 22, 2014
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Department:	Purchasing
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Subject

Authorize award and execution of a 36-month requirements supply agreement with MUELLER SYSTEMS, LLC, for the supply of repair parts for Hersey water meters for the Austin Water Utility in an amount not to exceed \$90,000, with three 12-month extension options in an amount not to exceed \$30,000 per extension option for a total contract amount not to exceed \$180,000.

Amount and Source of Funding

Funding in the amount of \$15,000 is available in the Fiscal Year 2013 – 2014 Operating Budget of the Austin Water Utility. Funding for the remaining 30-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:	Sole Bid.
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Prior Council Action:	
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For More Information:	Steve Aden, Purchasing Manager, 512-972-0047
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Boards and Commission Action:	Recommended by the Water and Wastewater Commission on May 14, 2014 on a 6-0-0-1 vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore no goals were established for this solicitation.
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Additional Backup Information

This contract establishes a supply agreement with Mueller Systems, LLC for repair parts for Hersey Water Meters for the Austin Water Utility (AWU). Repair parts will be purchased on an as needed basis and will be stored at the Water Meter Shop. Meters, three inches and above, are tested in the field for accuracy. If the meter fails it is repaired in the field with new parts and retested to insure accuracy.

The Purchasing Office did an evaluation of six items from the manufacturer's price list that is commonly used by the Department. A comparison of the list price and the discount price was made to determine if the 33% discount offered was accurate. When the department places and order for the items under the manufacturer price list, a 33% discount will be taken for the list price shown.

MBE/WBE solicited: 4/4

MBE/WBE bid: 0/0

BID TABULATION

IFB No. STA1117

Repair Parts for Hersey Water Meters
(6 line item)

**% DISCOUNT FROM
MANUFACTURER'S
PUBLISHED PRICE LIST**

VENDOR

Mueller Systems, LLC
Cleveland, NC

33%

NOTE: Complete copy of the bid tabulation is on file in the Purchasing Office and is on the City of Austin, FSD Purchasing Office website.

PRICE ANALYSIS

- a. Sole bid. Mueller Systems, LLC bought out Hersey Water Meters in 1999. The last time this contract was bid, there were two bids received. Purchasing contacted the previous bidder was contacted and stated they did not bid because they felt they could not compete with Muller Systems.
- b. Eighty notices were sent, including 4 MBE and 4 WBE firms. Only one bid was received, with no MBE or WBE firms responding. The pricing offered represents no increase to the previous contract awarded March 2012.

APPROVAL JUSTIFICATION

- a. Sole bid.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.