

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

33377

Agenda Number

36.

Meeting Date:

June 12, 2014

Department:

Purchasing

Subject

Authorize award and execution of a 36-month supply contract with JAE CONSTRUCTION INC, for the purchase of substation surface rock for Austin Energy, in an amount not to exceed \$791,043, with three 12-month extension options in an amount not to exceed \$263,681 per extension option, for a total contract amount not to exceed \$1,582,086.

Amount and Source of Funding

Funding in the amount of \$44,000 is available in the Fiscal Year 2013-2014 Capital Budget and \$44,000 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding for the remaining original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is attached.

Purchasing Language:

Lowest responsive bid received.

Prior Council Action:



For More Information:

Paige McDonald, Buyer II / 512-322-6118

Boards and Commission Action:

May 19, 2014 - Recommended by the Electric Utility Commission on a vote of 6-0.

Related Items:

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.

Additional Backup Information

This contract is for the purchase of surface rock for Austin Energy, on an as-needed basis, and for Capital Improvement Projects including laying new layers of protective surface rock at the Fiskville, Hamilton and Grove substations. Surface rock is crushed stone material used to cover the ground at substations. It provides a layer of insulation between the grounding system below and personnel working above. This layer reduces the amount of electric current that can flow between a person and the ground below, increasing safety for employees and contractors working in and around substations. The materials may be picked up at the contractor's facility or delivered as required by Austin Energy.

MBE/WBE solicited: 2/3

MBE/WBE bid: 0/0

BID TABULATION

IFB No. MPM0012

Substation Surface Rock
(3 – line items)

Vendor

JAE Construction, Inc
Austin, TX

Total Bid Amount

\$263,681

Community Trucking
Cedar Creek, TX

\$278,220

Klepzig, Inc.
Georgetown, TX

\$362,500

Superior Crushed Stone, LC
Austin, TX

*

*Non-responsive bid. Superior Crushed Stone did not provide a sample as requested by the City and as specified in the solicitation.

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

PRICE ANALYSIS

- a. Adequate competition.
- b. Eighty-eight notices were sent including two MBEs and three WBEs. Four bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 24% increase to the last purchase made in November 2011. This increase is based on higher prices of crushed stone and diesel.

APPROVAL JUSTIFICATION

- a. Lowest bid received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.

c. Advertised on the Internet.