

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	47639	Agenda Number	34.
Meeting Date:	August 6, 2015			
Department:	Purchasing			
Subject				
Authorize negotiation and execution of a 12-month contract with TECHLINE INC., to provide transmission supplies for Austin Energy, in an amount not to exceed \$500,488, with two 12-month extension options in an amount not to exceed \$500,488 per extension option, for a total contract amount not to exceed \$1,501,464.				
Amount and Source of Funding				
Funding in the amount of \$83,415 is available in the Fiscal Year 2014-2015 Operating Budget of Austin Energy. Funding for the remaining 10-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 received meeting specification.			
Prior Council Action:				
For More Information:	Gabriel Guerrero, Buyer II, 512-322-6060			
Boards and Commission Action:	July 20, 2015 - Recommended by the Electric Utility Commission on an 11-0 vote.			
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				

The contract will provide Austin Energy with transmission supplies including various types of insulators and related hardware such as suspension insulators, string insulators, clamps, connectors, clevis and rods. These items will be used to replenish stock at Austin Energy's Kramer warehouse for issuance to transmission crews for maintenance and construction projects. These insulators and hardware are necessary to safely insulate the energized overhead conductor from the supporting structure and equipment.

The transmission line insulators are used to separate and support the transmission conductors. These insulators, which do not allow electric current to pass through them, are installed on transmission poles, allowing current to travel through the conductors but not the transmission poles.

This contract would ensure that Austin Energy has the critical parts required for the transmission crews to enable timely repairs, maintenance and new projects to minimize loss of electricity. There is no current contract for these items; material is being purchased on open market orders as needed. With a new contract, these items can be purchased as needed in a more efficient manner.

MBE/WBE solicited: 11/11

MBE/WBE bid: 0/0

BID TABULATION

IFB No. GGU0141

Transmission Supplies Annual Price Agreement
(12 line items)

<u>VENDOR</u>	<u>Items Bid/Items Low</u>	<u>Total Annual Bid</u>
Techline Inc. Austin, TX	12/10	\$500,488
Stuart C. Irby Austin, TX	11/2	\$529,448*
Priester-Mell & Nicholson Austin, TX	10/0	\$251,958
Power Supply Inc. Austin, TX	10/0	\$271,750
Apfelbaum El Paso, TX	11	**
Doubletree Systems, Inc. San Jose, CA	9	**

* Not cost effective to award two line items to Irby for a potential cost savings of \$1,049 annually.

** Non-responsive. Apfelbaum and Doubletree offered products that did not meet the requirements stated in the solicitation.

A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance Online website at: https://www.austintexas.gov/financeonline/vendor_connection/solicitation/search.cfm

PRICE ANALYSIS

- a. Adequate competition.
- b. 382 notices were sent, including 11 MBEs and 11 WBEs. Six bids were received, with no response from the MBEs/WBEs.
- c. The pricing offered for four items previously on contract represents a 2.7% price increase the last contract awarded in August of 2012.

APPROVAL JUSTIFICATION

- a. Lowest bids received meeting specification.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.