

AGENDA



Thursday, June 7, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 38**

Subject: Authorize award and execution of Amendment No. 3 to the contract with GE SUPPLY, Austin, TX for electric meters, metering sockets, and metering transformers to increase the current contract term and the remaining two 12-month extension options in an estimated amount not to exceed \$170,874 per contract year, for a revised total estimated contract amount not to exceed \$700,329.

Amount and Source of Funding: Funding is available in the Fiscal Year 2006-2007 Capital Budget of Austin Energy. Funding for the extension options is contingent upon approval of the future budgets.

Fiscal Note: A fiscal note is attached.

For More Information: Dolores Castillo, Sr. Buyer 512/3212-6466

Purchasing Language: Contract Amendment.

MBE/WBE: This contract was 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.

Prior Council Action: 6/22/06, Approved 12-month requirements supply contract, with two 12-month extension options.

On June 22, 2006, Council approved five 12-month requirements supply contracts for the purchase of electric meters, metering sockets, and metering transformers that are used to measure electric customer's usage. One award was made to GE Supply Co. in an estimated amount not to exceed \$46,236, with two 12-month extension options in an estimated amount not to exceed \$46,236 per extension option to establish a reliable source for the supply of a portion of the metering components that were awarded.

The solicitation was issued with dual award requirements. Due to the critical need for these items for constant daily use, two awards were made per line item that met the requirements. One contract was awarded for approximately 60% of the estimated total to the lowest responsive bidder representing a single manufacturer for each line item. A second contract for approximately 40% of the estimated total was awarded to the next lowest responsive bidder representing a different manufacturer per line item and whose bid price per line item was no more than 10% higher than the lowest bid for the same item.

Since the contract award, several necessary items have been identified and added to this contract. Austin Energy requires the contract authorization be increased for the current contract period, as well as the two remaining extension options in order to secure sufficient contract funding for the purchase of the required meters and metering transformers that are being supplied by GE Supply.