

AGENDA



Thursday, June 7, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 40

Subject: Authorize award and execution of a 24-month requirements supply contract with TECHLINE, LTD, Austin, TX for 3-phase dead front switchgear in an estimated amount not to exceed \$274,944, with two 12-month extension options in an estimated amount not to exceed \$137,472 per extension option, for a total estimated contract amount not to exceed \$549,888.

Amount and Source of Funding: Funding in the amount of \$34,368 is available in the Fiscal Year 2006-2007 Operating Budget of the Austin Energy Department. Funding for the remaining 21 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.

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

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

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.

This contract will provide for the purchase of 3-phase dead front switchgear. These switchgear will be used to replenish stock at Austin Energy's Decker Transformer Shop warehouse and will be purchased on an as needed basis.

Dead front switchgears are used for underground distribution systems. This type of switchgear is a collection of fuses and switches used for high voltage switching and to protect the circuit. The switchgear are used in routing high voltage to other devices that have their wiring underground.

Switchgear will be used for existing and future improvements for underground projects such as campus-type industrial, commercial, and shopping centers where there are multiple pieces of equipment and multiple customers to be protected.

MBE/WBE Solicited: 1/1

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-two notices were sent, including one MBE and one WBE. Six bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 8.75% increase from the last contract award November 2004. Techline is the current contract supplier.

APPROVAL JUSTIFICATION

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