

Thursday, April 5, 2007

Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 17

Subject: Authorize award and execution of a contract with BASLER ELECTRIC, Highland, IL, for the purchase of three automatic voltage regulators for gas turbine generators at the Decker Creek Power Station in an amount not to exceed \$89,964.

Amount and Source of Funding: Funding is available in the Fiscal Year 2006-2007 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Martha L. Gaines, Buyer II/322-6583

Purchasing Language: Sole bid received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C 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 is for the purchase of three automatic voltage regulators for the Decker Creek Power Station gas turbine generators. Automatic voltage regulators allow for automatic control of the voltage levels on the gas turbine generators and the electric utility grid. These three regulators will replace existing units that have become obsolete; therefore, repair parts are no longer available.

MBE/WBE solicited: 2/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

a. Sole bid. Basler Electric is the manufacturer of the voltage regulator. Other vendors were contacted and made aware of the solicitation but did not respond. When queried about why they did not bid, vendors indicated they were not able to offer competitive pricing.

b. Ten notices were sent, including two MBEs and one WBE. Three solicitations were issued. One bid was received, with no response from the MBEs/WBE.

c. The pricing offered represents no change from the last purchase made in August 2006.

APPROVAL JUSTIFICATION

a. Sole bid received.

- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.