

AGENDA



Thursday, May 15, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 10

Subject: Approve ratification of two contracts for the purchase of automated meters with TEXAS METER & DEVICE COMPANY, Waco, TX, in an amount not to exceed \$2,211,840, and TEXAS ELECTRIC COOPERATIVES, Georgetown, TX, in an amount not to exceed \$1,719,568.

Amount and Source of Funding: Funding is available in the Fiscal Year 2007-2008 Approved Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Dolores Castillo, 512/322-6466

Purchasing Language: Sole bid 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 identified; therefore, no goals were established for this solicitation.

On February 28, 2008, Austin Energy (AE) identified a Critical Business Need for the purchase of 88,000 2-way automated meters to support the conversion to automated electric metering. This purchase for 88,000 of the total 290,000 meters will ensure AE has an adequate supply on hand to maintain the conversion project schedule without incurring additional demobilization and remobilization costs from its installation contractor. This conversion will support automated meters, as opposed to manually read meters and also strategically position AE to provide advanced metering services to their customer base. The remaining meters will be purchased through the normal competitive processes.

AE has only two authorized manufacturers for automated electric meters which are Landyis & Gyr and GE. A list of the meters including the various sizes, types and accessories were issued to the only two authorized suppliers so they could supply an expedited bid.

MBE/WBE Solicited: 0/0

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Sole bidders. AE has only two authorized manufacturers for automated electric meters which are Landyis & Gyr and GE. A list of the meters including the various sizes, types and accessories were issued to the only two authorized suppliers so they could supply an expedited bid.
- b. Two bids were issued and two bids were received. There are no known MBE/WBEs available for this commodity.
- c. The pricing offered represents zero increase to the last purchase made in September 2007.

APPROVAL JUSTIFICATION

- a. Only bidders.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Critical Business Need.