

AGENDA



Thursday, August 28, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 36**

Subject: Authorize award and execution of a contract with SQUARE D COMPANY, Houston, TX for plant battery systems for Decker Creek Power Station in an amount not to exceed \$169,835.

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

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Shawn Harris, Buyer II, 505-7351.

Purchasing Language: Lowest bid meeting specifications of three 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 is for the purchase of plant battery systems for Decker Units 1 and 2. The stationary batteries provide back-up power to the 130 volt dc distribution systems which provide reliable power for plant monitoring and communication, switchgear operations, relay operations, motors, and control equipment.

The existing plant battery systems have reached the end of their useful service life and are unable to maintain the electric load for the critical service equipment. The batteries are used for emergency shutdown operations. Failure of these batteries will result in significant damage to major plant equipment.

MBE/WBE Solicited: 0/0 MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Two hundred eight-six notices were sent. There are no known MBE/WBEs for this commodity. Three bids were received.
- c. This is the first purchase of its type in the previous 10 years; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

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