Thursday, November 6, 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 the purchase and installation of a 5kV arc-resistant switchgear for Austin Energy in an amount not to exceed \$254,217.

Amount and Source of Funding: Funding is available in the Fiscal Year 2008-2009 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Terry Nicholson, Senior Buyer, 322-6586.

Purchasing Language: Sole bid.

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.

The contract is for Square D Company to provide and install a 5kV Arc-Resistant Switchgear at Austin Energy's (AE's) Decker Creek Power Station. The switchgear will be an upgrade to the current switchgear and wiring which are 40 years old and have degraded over time. The upgrade is necessary to sustain the reliability and availability of the pump station used to fill Lake Walter E Long, which provides cooling water to the Decker Creek Power Station.

MBE/WBE solicited: 10/4 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Sole bid. The bid opening for this solicitation was extended four times in an effort to secure more bids without success.
- b. Two hundred five notices were sent, including 10 MBEs and four WBEs. One bid was received with, no response from the MBE/WBEs.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

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