

AGENDA



Thursday, March 5, 2009

Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION

Item No. 15

Subject: Authorize award and execution of a 24-month requirements supply contract with DEALERS ELECTRICAL SUPPLY CO., Austin, TX, for ION® meters in an estimated amount not to exceed \$1,003,382, with three 12-month extension options in an estimated amount not to exceed \$501,691 per extension option, for an estimated contract amount not to exceed \$2,508,455.

Amount and Source of Funding: Funding in the amount of \$234,122 is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy. Funding in the amount of \$602,029 is available in the Fiscal Year 2008-2009 Capital Budget of Austin Energy. Funding for the remaining 17 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: A fiscal note is attached.

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

Purchasing Language: Lowest bid meeting specification of two 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.

Boards and Commission Action: Recommended by the Electric Utility Commission.

Under this contract, Dealers Electrical Supply Co. will provide ION Intelligent Revenue Meters necessary for upgrades and improvements to Austin Energy's (AE's) Power Quality System. ION meters provide both revenue metering data for accurate billing and power quality, real-time data for our largest commercial and industrial customers.

In addition to the complete revenue metering capabilities and powerful communications technology, these ION® meters offer expanded power quality analysis and ERCOT-compliant reporting.

These meters are installed in every substation in our switchgear. Switchgear houses the feeder circuit breakers that feed the residential and commercial distribution. These meters are also located at specific tie points with other utilities and used by ERCOT. Most if not all major customers, Samsung, Dell, Freescale, AMD all use these meters for real time analysis. AE's metering department as well as the Power Quality group use these meters to look into customer inquiries in order to help determine where a specific problem is located. MBE/WBE solicited: 1/1 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-eight notices were sent, including one MBE and one WBE. Two bids were 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. Lowest bid received meeting specifications.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.