

AGENDA



Thursday, August 20, 2009

Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION
Item No. 22

Subject: Authorize award and execution of a contract with SKANETZKY ENGINEERING LLC, Austin, TX to supply 420 solar photovoltaic modules in an amount not to exceed \$249,900.

Amount and Source of Funding: Funding in the amount of \$8,344 is available in the Fiscal Year 2008-2009 Operating Budget for Austin Energy. Funding in the amount of \$241,556 is available in the Fiscal Year 2008-2009 Capital Budget for Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Sandy Calles, Buyer Sr. / 322-6487

Purchasing Language: Lowest bid of four 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.

This contract is for the purchase of 420 solar photovoltaic (PV) modules for installation on four municipal buildings (EMS Station #33, APD Training Academy, Health and Human Services Department North Building H on Levander Loop, and the Ruiz Branch Library) as well as the Oak Meadows Elementary School. All facilities are located within the Austin Energy (AE) service area.

The project supports AE's commitment to renewable energy as stated in AE's 2003 Strategic Plan and the 2007 Austin Climate Protection Program. The Strategic Plan calls for AE to implement a highly visible public awareness and education program involving the installation of PV projects at schools, libraries, community centers, and city buildings. In addition, this project will generate approximately 114 Renewable Energy Credits (RECs) annually. RECs are tradable environmental commodities representing proof that one megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource.

The total capacity of this project is approximately 84 kW and it will generate an estimated 114,448 kWh per year, enough to power up to 8% of the power needed for these facilities. The energy savings is equivalent to an estimated 42,624 vehicle miles traveled, the removal of five cars from our roadways, or the planting of 832 trees or 42 acres of forest in Austin's parks. Installation of this equipment will be provided through a separate contract and is planned for late Summer of 2009 and is expected to be complete by December 2009. An additional solicitation will be issued later this year for installation of the PV systems on the city buildings.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

Price Analysis

a. Adequate competition

- b. Fifty-two notices were sent, including one MBE. There are no known WBEs for this commodity. Four bids were received, with no response from the MBE.
- c. The pricing offered represents a 17% decrease from the last purchase in August 2008.

Approval Justification

- a. Lowest bid received. Skanetzky Engineering was not the last supplier of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.