

AGENDA



Thursday, February 11, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 14**

Subject: Authorize award and execution of a contract with WATTHOUR ENGINEERING CO., INC., Pearl, MS, for the purchase of automated three-phase meter test systems in an amount not to exceed \$107,720.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

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

Purchasing Language: Lowest bid 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.

The contract is for the purchase of three automated 3-phase meter test system units to be used to test utility meters for Austin Energy (AE). The systems are used to test the accuracy of the electric meters for the entire AE service area which is required by ERCOT to verify adherence to American National Standards Institute and Public Utility Commission standards. The units will be used at the meter shop at the Kramer substation to test the accuracy of new meters brought into stock. These systems will replace testing equipment purchased 25 years ago and will provide updated technology that is much more precise.

MBE/WBE solicited: 3/4

MBE/WBE bid: 0/0

PRICE ANALYSIS

- Adequate competition.
- Seventy-seven notices were sent, including three MBEs and four WBEs. Two bids were received, with no response from the MBE/WBEs
- This is the first purchase of its type; therefore, there is no pricing history available. The previous purchase of meter testing equipment was made 25 years ago and this technology was not available.

APPROVAL JUSTIFICATION

- Lowest bid received.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.