

AGENDA



Thursday, October 14, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 28

Subject: Authorize award and execution of a 24-month requirements supply contract with TECHLINE, INC., Austin, TX, for the purchase of vacuum switches in an estimated amount not to exceed \$1,189,200, with three 12-month extension options in an estimated amount not to exceed \$594,600 per extension option, for a total estimated contract amount not to exceed \$2,973,000.

Amount and Source of Funding: Funding in the amount of \$594,600 is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy. Funding for the remaining 12 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: Gage Loots, Buyer II/322-6118

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.

This contract will provide an annual supply of vacuum interrupter switches to be purchased on an as-needed basis to support the work of the construction and maintenance staff of Austin Energy's (AE) network operations. These switches are used throughout the AE network vault protection system to prevent expensive equipment damage.

Vacuum interrupter switches have an overcurrent relay that can sense a fault, allowing the switches to safely open and disconnect the energized equipment inside the electrical service vault. The switches create a safe work environment for AE maintenance crews performing repairs on de-energized equipment.

MBE/WBE solicited: 2/2

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety-four notices were sent including two MBEs and two WBEs. Two bids were received, with no responses from the MBE/WBEs.
- c. The pricing offered represents a 9% increase to the last contract award made in June 2006.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Techline, Inc. is the current supplier of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.