A U S T I N C I T Y C O U N C I L

AGENDA

Recommendation for Council Action (Purchasing)

Austin City Council	**Item ID:**		**Agenda Number**	15.

Meeting Date:	November 1, 2012
Department:	Purchasing

Subject

Authorize award, negotiation, and execution of a 24-month requirements supply contract with SIEMENS ENERGY, INC., or the other qualified offeror to RFP No. GAL0007, for the purchase of 145kV dead tank circuit breakers for use at Austin Energy substations in an estimated amount not to exceed $2,593,952, with three 12-month extension options in an estimated amount not to exceed $1,296,976 per extension option, for a total estimated contract amount not to exceed $6,484,880.

Amount and Source of Funding

Funding in the amount of $1,188,730 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy. Funding for the remaining 13 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best evaluated proposal.
Prior Council Action:	
For More Information:	Gage Loots, Buyer II /512-322-6118
Boards and Commission Action:	Recommended by the Electric Utility Commission.
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.
Related Items:	

Additional Backup Information

This contract with Siemens Energy, Inc. will provide Austin Energy (AE) with 145kV 63kA short circuit interrupt rating dead tank circuit breakers to be purchased on an as-needed basis. Circuit breakers are devices that can be opened to de-energize the transmission line or substation bus during construction, maintenance or fault conditions. As the primary protection mechanism, these devices are opened during fault conditions in order to limit the damaging effects of high current on substation equipment. In the event the breaker cannot clear the fault, there are secondary protection mechanisms in place that activate; however, there is greater risk of a larger outage. Therefore, these circuit breakers are a critical element of a substation and overall electric reliability. AE will install the breakers at various substations; either as upgrades to existing equipment or as new installations.

An AE evaluation team with expertise in this area evaluated the proposals and unanimously chose this proposal as the best to provide these products. Evaluation criteria used to evaluate the proposals included the technical solution, cost, experience, manufacturing capabilities, delivery lead times, responsiveness to terms and conditions, and local business presence.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified offeror and authorize contract negotiations with this provider.

MBE/WBE solicited: 4/3 MBE/WBE bid: 0/0

PRICE ANALYSIS

a. Adequate competition.
b. One hundred thirty-three notices were sent, including four MBEs and three WBEs. Three proposals were received, with no response from the MBE/WBEs.

APPROVAL JUSTIFICATION

a. Best evaluated proposal. Siemens Energy, Inc. is the current provider of these products.
b. The Purchasing Office concurs with Austin Energy's recommended award.
c. Advertised on the Internet.