



**Purchasing Contract  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 23  
**AGENDA DATE:** Thu 09/02/2004  
**PAGE:** 1 of 2

**SUBJECT:** Authorize execution of a contract with POWELL INDUSTRIES, INC., Houston, TX, for two 15kV arc resistant switchgear in an amount not to exceed \$817,562.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2003-2004 Amended Capital Budget of the Electric Utility Department.

**FISCAL NOTE:** A fiscal note is attached.

**REQUESTING** Purchasing  
**DEPARTMENT:** for Austin Energy;

**DIRECTOR'S**  
**AUTHORIZATION:** Vickie Schubert

**FOR MORE INFORMATION CONTACT:** Dolores Castillo (512) 322-6461

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Low bidder meeting specifications of three bids received.

**MBE / WBE:** This contract will be awarded in compliance with Chapter 2-9 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.

-----

This contract will provide two 15kV, metal-clad, arc resistant switchgear. The switchgear consists of a 14 foot long housing with five 15kV circuit breakers and a common indoor aisle. The switchgear will be used at the Dessau Substation due to expansion at Samsung. Samsung is the major customer for this station and the switchgear will be dedicated feeds for Samsung. The switchgear specification requires a specialized design known as Type 2 arc-resistant switchgear. It provides protection from explosion at the front, back and sides of the housing. This is required to prevent a fault in a breaker from causing extensive injury to Austin Energy personnel as well as damage to the adjacent equipment, which could result in an extended power outage for customers. Arc-resistant switchgear has two basic functions. First, the switchgear connects the power transformer to the distribution system, delivering power to AE's customers. Second, if there is a short circuit on the distribution system, the switchgear will disconnect the transformer from the distribution system to protect the transformer from high currents caused by the short circuit.

MBE/WBE solicited: 0/2

MBE/WBE bid: 0/0



**Purchasing Contract  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 23  
AGENDA DATE: Thu 09/02/2004  
PAGE: 2 of 2**

**BID TABULATION**  
IFB No. DC04100029  
15kV Arc-Resistant Switchgear/Qty. 2

<b><u>Vendor</u></b>	<b><u>Unit Cost</u></b>	<b><u>Total Bid</u></b>
PACS Industries Great Neck, NY	\$378,598.50	\$757,197.00*
<b>Powell Industries</b> <b>Houston, TX</b>	<b>\$408,781.00</b>	<b>\$817,562.00</b>
Myers Power Prod c/o Alsworth Inc. San Antonio, TX	\$421,021.46	\$842,042.92

\*Did not meet specifications. Vendor did not meet the delivery requirement and other technical requirements as required by the solicitation.

**PRICE ANALYSIS**

- Adequate competition.
- Eight notices were sent including two MBEs. Six bids were issued. Three bids were received. The MBEs did not respond. There are no known WBEs for this commodity.
- A switchgear similar to this specification was purchased in April 3, 2004. The cost of this switchgear reflects approximately 3% decrease since the last purchase.

**APPROVAL JUSTIFICATION**

- Low bidder meeting specifications.
- The Electric Utility Department concurs with the recommended award.
- Advertised on the Internet.

**CIP BUDGET**  
**Fiscal Note**

**DATE OF COUNCIL CONSIDERATION:**

9/2/2004

**WHERE ON AGENDA:**

Resolution

**DEPARTMENT:**

Electric Utility Department

**SUBJECT:** Authorize execution of a contract with POWELL INDUSTRIES, INC., Houston, TX for 15kV arc resistant switchger in an amount not to exceed \$817,562.

**FINANCIAL INFORMATION:**

Parent Project Name:      **Distribution Substation**  
Project Authorization:      2003-2004 Amended Capital Budget

Current Appropriation	\$ 60,753,349.00	
Unencumbered Balance		\$ 13,436,003.07
Amount of This Action		<u>(817,562.00)</u>
Remaining Balance		<u><u>\$ 12,618,441.07</u></u>

**Use of Remaining Balance:**

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

**Use of Any Remaining Funds After Completion of Project:**

No remaining funds anticipated at this time.

Director, Planning and Budget

Signature: 

Date: 9/12/04