

AGENDA



Thursday, July 29, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 53**

Subject: Authorize award and execution of a 12-month supply contract with SCHWEITZER ENGINEERING LABORATORIES, INC., Pullman, WA, for the purchase of replacement relays for switchgear and relay panels for Austin Energy in an estimated amount not to exceed \$1,802,140, with four 12-month extension options in an estimated amount not to exceed \$1,802,140 per extension option, for an total estimated contract amount not to exceed \$9,010,700.

Amount and Source of Funding: Funding in the amount of \$300,357 is available in the Fiscal Year 2009-2010 Operating Budget of Austin Energy. Funding for the remaining 10 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.

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-D 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 Austin Energy (AE) substations with a continuous supply of protective relays for replacement in switchgear and relay panels, to be purchased on an as-needed basis. The relays will be used to protect high voltage transmission lines, substation equipment, and AE's distribution system.

MBE/WBE solicited: 0/3

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Seventy-three notices were sent, including three WBEs. There are no known MBEs for this commodity. Two bids were received, with no response from the WBEs.
- c. The pricing offered represents a 1% decrease from the last contract award made in February 2005.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Schweitzer Engineering Laboratories is the current provider for these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.