



Recommendation for Action

File #: 19-1805, **Agenda Item #:** 25.

6/6/2019

Posting Language

Authorize award of two multi-term contracts with Royal Switchgear Manufacturing Co. and Morpac Industries, Inc., to provide air switches, each for up to five years for total contract amounts not to exceed \$4,051,500 divided between the contractors.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$270,100 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 1100 DNJ1005 for these goods. The solicitation issued on December 3, 2018 and it closed on January 8, 2019. Of the eight offers received, the recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=128372)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=128372>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Darralyn N. Johnson, at 512-505-7293 or Darralyn.Johnson@austinenergy.com <<mailto:Darralyn.Johnson@austinenergy.com>>.

Council Committee, Boards and Commission Action:

May 13, 2019 - Recommended by the Electric Utility Commission on an 8-0 vote, with Commissioner Weldon off the dais and Commissioners Hadden and Stone absent.

Additional Backup Information:

These contracts are for air switches for Austin Energy to install on an as-needed basis. Air switches are used

to isolate and redistribute power in order to service substation equipment and as secondary safety precaution devices for field personnel by providing an additional physical disconnect from electrified lines. They are installed at substations throughout the Austin Energy service area and are integral to reliability improvement projects.

The current contract will expire on August 12, 2019. The requested authorization is based on the adjusted capital improvement project needs in the 2018-2022 Transmission and Distribution Budget Plan including contingency funding for operations and maintenance needs.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	1 yr.	\$ 810,300
Optional Extension 1	1 yr.	\$ 810,300
Optional Extension 2	1 yr.	\$ 810,300
Optional Extension 3	1 yr.	\$ 810,300
Optional Extension 4	1 yr.	\$ 810,300
TOTAL	5 yrs.	\$4,051,500

Note: Contract Authorization amounts are based on the City's estimated annual usage.