



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 24
AGENDA DATE: Thu 03/03/2005
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with SHARP ELECTRONICS CORPORATION, Huntington Beach, CA, for photovoltaic modules and power conditioning equipment in an amount not to exceed \$251,326.40, with two 12-month extension options in an amount not to exceed \$502,652.80 for the first option and \$351,857.34 for the second option, for a total agreement amount not to exceed \$1,105,836.54.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$251,326.40 is available in the Fiscal Year 2004-2005 Approved Capital Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Austin Energy; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Sandy Calles, Senior Buyer/322-6487

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid meeting specification of eight 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 agreement is for the supply of photovoltaic modules and associated power conditioning equipment for residential installations that are part of Austin Energy's Green Building Program. The systems will be approximately 3.75 kW each and will vary between 3.5 and 4.0 kW per home in 88 homes.

One of the goals of the Green Building Program is to build the Montopolis Zero Energy Homes Subdivision to demonstrate that it is possible to design and build homes and buildings that can greatly reduce energy consumption for end users and reduce peak load for the utility at an acceptable incremental cost. The "zero energy" project will be a model project to show how AE could incorporate small-scale distributed generation into its generation mix by addressing basic issues including: 1) providing in-depth information on the impact of small scale distributed generation on the electric grid; and 2) helping with the development of grid interconnection protocols. .

Delivery of the equipment to be purchased from this contractor will be 20 systems during the first contract year, 40 systems the second contract year and 28 systems the third contract year.

MBE/WBE Solicited: 0/1

MBE/WBE Responded: 0/0



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**BID TABULATION
Photovoltaic Modules and
Associated Power Conditioning Equipment
IFB No. SL05300004**

<u>Vendor</u>	<u>3.5 kW System</u>	<u>3.75 kW System</u>	<u>4.0 kW system</u>	<u>Total Cost</u>
Equinox Washington, D.C.	\$95,000.00	\$646,000.00	\$95,000.00	\$836,000.00*
Sharp Electronics Huntington Beach, CA	\$116,748.10	\$858,162.04	\$130,926.40	\$1,105,836.54
Energy Outfitters Grants Pass, OR	\$123,040.00	\$879,120.32	\$136,045.00	\$1,138,205.32
BP Solar Frederick, MD	\$121,505.60	\$923,423.68	\$150,089.60	\$1,195,018.88
Kyocera Cypress, TX	\$142,250.00	\$1,020,850.00	\$158,000.00	\$1,321,100.00
Shell Solar Camarillo, CA	\$145,050.00	\$1,035,300.00	\$155,750.00	\$1,336,100.00
Southwest PV Tomball, TX	\$174,820.00	\$1,231,344.00	\$187,340.00	\$1,593,504.00
Sunlight Solar Bend, OR	\$200,000.00	\$1,360,000.00	\$228,000.00	\$1,788,000.00

*Vendor was found to be non-responsive; did not bid on equipment specifications.

PRICE ANALYSIS

- Adequate competition.
- Fourteen notices were sent including one WBE. Fifteen solicitations were issued. Eight bids were received. There are no known MBEs for this commodity.
- There is no price comparison. This is the first soliciting this type of service.

APPROVAL JUSTIFICATION

- Low bid meeting specification.
- Austin Energy concurs with the recommended award.
- Advertised on the internet.

**CIP BUDGET
Fiscal Note**

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

3/3/2005
Resolution
Austin Energy

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FINANCIAL INFORMATION:

Parent Project Name: **Power Production**
Project Authorization: 2004-2005 Approved Capital Budget

Current Appropriation	\$ 339,724,850.00	
Unencumbered Balance		\$ 14,159,068.06
Amount of This Action		<u>(251,326.40)</u>
Remaining Balance		<u>\$ 13,907,741.66</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 & Budget

Signature: 

Date: 2/8/05