



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

**AGENDA ITEM NO.: 28
AGENDA DATE: Thu 08/18/2005
PAGE: 1 of 2**

SUBJECT: Authorize execution of a contract with POWELL ELECTRICAL SYSTEMS, INC., Houston, TX for the purchase of two 15kV switchgear in an amount not to exceed \$1,010,932.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2004-2005 Approved Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Purchasing
DEPARTMENT: for Austin Energy;

DIRECTOR'S
AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Dolores Castillo, Senior Buyer/322-6466

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Low bid meeting specifications of four 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 type 2 switchgear. The specification required 3-phase, 4-wire, 12,470 volt wye, solidly grounded neutral arc-resistant switchgear, circuit breakers and bus duct, including all control protection wiring necessary. The switchgear will be installed in a weatherproof control room at the Pedernales Substation. The existing switchgear have been in use for 45 and 43 years. This type of switchgear is the means by which power is distributed to the customer. Most Austin Energy substations operate at either 69kV or 138kV and contain transformers to lower the voltage to 15kV. The switchgear has circuit breakers which allow Austin Energy crews to connect three distinct circuits to feed neighborhoods and businesses.

MBE/WBE Solicited: 1/0

MBE/WBE Bid: 0/0



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**BID TABULATION
IFB # DC05100029
(2 each 15Kv Switchgear)**

Powell Electrical Systems Houston, Texas	\$1,010,932
PACS Indust., Inc Great Neck, New York	\$815,782*
ABB c/o Power Supply Austin, Texas	\$963,635**
Pederson Power Products Omaha, Nebraska	\$988,190**

* Bidder was deemed non-responsive because they have not tested the proposed switchgear since they have never manufactured this type/size before as required in the bid specifications.

** Bidders were deemed non-responsive because they could not meet the required delivery date of December 15, 2005 as required in the bid specifications.

Note: A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- a. Adequate competition.
- b. Five notices were sent including one MBE. Four bids were issued and four bids were received. The MBE did not respond. There are no known WBEs for this commodity code
- c. The pricing offered represents an approximate 4% increase from the last contract awarded in 2000 for similar items. This increase can be attributed mainly to the higher costs of steel and oil.

APPROVAL JUSTIFICATION

- a. Low bid meeting specifications.
- b. Austin Energy concurs with the recommended award.
- c. Advertised on the Internet.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

8/18/2005

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Austin Energy

SUBJECT: Authorize execution of a contract with POWELL ELECTRICAL SYSTEMS, INC., Houston, TX for the purchase of two 15kV switchgear in an amount not to exceed \$1,010,932.

FINANCIAL INFORMATION:

Parent Project Name: **Distribution Substation**
Project Authorization: 2004-2005 Approved Capital Budget

Current Appropriation	\$ 60,753,349.00	
Unencumbered Balance		\$ 10,303,316.82
Amount of This Action		<u>(1,010,932.00)</u>
Remaining Balance		<u>\$ 9,292,384.82</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: 7/29/05