

SUBJECT: Authorize award and execution of a 24-month requirements contract with **SOLAR WORLD CALIFORNIA**, Camarillo, CA to supply building-mounted solar photovoltaic modules in an estimated amount not to exceed \$2,035,064.75, with one 12-month extension option in an estimated amount not to exceed \$1,665,092.50, for a total estimated contract amount not to exceed \$3,700,157.25.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$2,035,065 is available in the Fiscal Year 2009-2010 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.

FOR MORE INFORMATION CONTACT: Terry Nicholson, Sr. Buyer/512-322-6586

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: To be reviewed by the Electric Utility Commission on 7/19/2010

PURCHASING: Lowest bid meeting specification of six bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D 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 with Solar World California, Inc. will secure the purchase of solar photovoltaic (PV) modules resulting in a total peak capacity of 2 MW STC DC. The projected PV module needs for projects installed by Austin Energy under separately solicited contracts will increase each of the next three years from 400 kW to 700 kW and then to 900 kW. The PV systems will be mounted on municipal buildings including Austin Energy, PARD, Library Department, Austin Water, and others, as well as local school districts such as, but not limited to, the Austin Independent School District.

The project supports AE's commitment to renewable energy as stated in AE's 2003 Strategic Plan and the 2007 Austin Climate Protection Plan. The Strategic Plan calls for AE to implement a highly visible public awareness and education program involving the installations. In addition, these projects, when completed, will generate approximately 2,726 Renewable Credits (RECs) annually. RECs are tradable environmental commodities representing proof that one megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource.

The total capacity of this project is approximately 2,000 kW STC DC and will generate an estimated 2,726,000 kWh per year. The energy savings is equivalent to an estimated 3,045,558 vehicle miles traveled, the removal of 380 cars from our roadways, or the planting of 59,475 trees or 2,974 acres of forest in Austin's parks. Separate solicitations will be issued for the installation of this equipment.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

BID TABULATION
IFB SLC0012

Supply Agreement for Modules for 2,000 kW DC Nominal Solar Photovoltaic Projects

<u>VENDOR</u>	<u>TOTAL MODULE BID</u>		Total Bid
	Year 1 & 2	Year 3	
Solar World CA Camarillo, CA	\$2,035,064.75	1,665,092.50	\$3,700,157.25
S. Kanetzky Engineering. Austin, TX	\$2,089,962.00	\$1,710,114	\$3,800,076.00
Border States Electric	\$2,208,454.59	\$1,760,576.49	\$3,969,031.08
QA Construction	\$2,552,208.80	\$2,087,976.80	\$4,640,185.60
Radiant Energy Systems	\$2,011,438.52	\$2,011,435.52	\$4,470,091.84
Stuart C. Irby Co.	\$2,225,000.00	\$1,845,041	\$4,100,041.00

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- Adequate competition
- Eighty four notices were sent including one MBE. There are no known WBEs for this commodity code. Six bids were received, with no response from the MBE.
- The pricing offered represents a 38% decrease from the last purchase made in August 2009. The lower cost is due to economies of scale and increase in quality of manufacturing prices as well as lower cost of silicon.

APPROVAL JUSTIFICATION

- Lowest bid.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.