

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	25702	Agenda Number	35.
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Meeting Date:	August 8, 2013
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Department:	Purchasing
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Subject

Authorize award and execution of two 24-month requirements supply agreements for the purchase of high voltage air switches for Austin Energy with: ROYAL SWITCHGEAR in an amount not to exceed \$697,250 with two 24-month extension options in an amount not to exceed \$697,250 per extension option, for a total contract amount not to exceed \$2,091,750, and with MORPAC INDUSTRIES, INC. in an amount not to exceed \$606,000, with two 24-month extension options in an amount not to exceed \$606,000 per extension option, for a total contract amount not to exceed \$1,818,000. The annual amount for all high voltage air switches required under these contracts will be for a total combined amount not to exceed \$651,625.

Amount and Source of Funding

Funding in the amount of \$108,604 is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy. Funding for the remaining 22 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.

Purchasing Language:	Lowest bids received.
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Prior Council Action:	
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For More Information:	Gabriel Guerrero, Buyer II /322-6060
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Boards and Commission Action:	July 15, 2013 - Unanimously approved by the Electric Utility Commission on a 5-0 vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority Owned and Women Owned Business Enterprise Procurement Program) No subcontracting
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opportunities were identified; therefore, no goals were established for this solicitation.

Additional Backup Information

These contracts will provide for the supply of three different high voltage air switches. These air switches are devices used to separate power within a substation allowing Austin Energy (AE) to isolate and redistribute power in order to service equipment such as transformers and circuit breakers. Air switches are also used as a secondary safety precaution for field personnel providing an additional physical disconnect from electrical lines.

MBE/WBE Solicited: 1/0

MBE/WBE Bid: 0/0

BID TABULATION

IFB No. GGU0116

High Voltage Air Switches

(3 - line items)

Total Annual Amount

VENDOR	Item 1	Item 2	Item 3
Royal Switchgear Bessemer, AL	\$164,875	\$183,750	\$519,000
Morpac Industries, Inc. Tucson, AZ	\$233,750	\$231,250	\$303,000
Pascor Atlantic Bland, VA	\$348,975	\$376,800	\$517,220
Techline Inc. Austin, TX	\$245,225	\$228,350	\$435,300
Cleveland/Price Inc. Trafford, PA	\$249,575	\$253,125	\$429,200
Southern States, LLC Hampton, GA	\$306,800	\$279,025	\$452,100

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

PRICE ANALYSIS

- Adequate competition.
- One hundred and sixty seven notices were sent, including one MBE. Six bids were received, with no response from the MBE. There are no known WBEs for this commodity code.
- The pricing offered represents a 21% decrease to the last contracts awarded in March 2009. The decrease is due

largely to competition and a new vendor offering lower prices for this commodity.

APPROVAL JUSTIFICATION

- a. Lowest bids received. Royal Switchgear is a current provider for some items. Morpac Industries, Inc. is not a current provider of these goods.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.