

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

66827

Agenda Number

25.

Meeting Date:

February 2, 2017

Department:

Purchasing

Subject

Authorize award and execution of a 36-month contract with PRIESTER-MELL & NICHOLSON, INC., to provide gas-insulated padmount switchgear, in an estimated amount of \$11,081,934, with three 12-month extension options in an estimated amount of \$3,693,978 per extension, for a total contract amount not to exceed \$22,163,868.

Amount and Source of Funding

Funding in the amount of \$2,462,652 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 28 months of the original contract period and extension options are contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) GGU0161 for these goods and services on September 5, 2016 and it closed on October 11, 2016 with two offers received. The recommended offeror is the lowest offer submitted by a responsible offeror. Additional information on the solicitation is included below. The recommended offeror is the current provider for these goods and services.

Prior Council Action:



For More Information:

Gabriel Guerrero, Buyer II, 512-322-6060

Boards and Commission Action:

January 23, 2017 – Unanimously recommended by the Electric Utility Commission on a 9-0 vote, with two vacancies.

Related Items:

MBE / WBE:

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 and services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The contract will provide gas-insulated padmount switchgears for Austin Energy. These switchgears will be used to replenish warehouse stock for immediate issue to construction crews on an as-needed basis.

These items are used for serving large industrial and commercial customers and residential subdivisions with underground electrical infrastructure. The function of the switchgear is to connect to an electrical main feeder and coordinate with the upstream breaker relay settings and downstream fuses required for high voltage switching and circuit protection.

This type of switchgear has a gas insulating medium that provides a much smaller gear, no exposed live electrical parts, quicker relay response, and interruption if an electrical fault is indicated. These features provide for better safety, better relay/fuse coordination, and better power system reliability. The contract provides Austin Energy with the critical parts required to perform new projects on time.

The contract will replace an existing contract that included a total of 23 line items and authorized a total annual amount not to exceed \$2,392,393, with an actual average spend of approximately \$1,000,000 annually. The new contract includes 49 additional line items. In addition, the new contract is based on increased estimated quantities that are more representative of recent and future-forecasted demand.

BID TABULATION

IFB GGU0161

SF6 Insulated 15kV Pad Mount Distribution Switchgear
72 Line Items

VENDOR

TOTAL BID

Priester-Mell & Nicholson Inc.

\$3,693,978

Anixter Inc.

\$3,814,518

A complete solicitation package, including a bid tabulation, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

PRIESTER-MELL & NICHOLSON INC.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	\$ 11,081,934	n/a	n/a
Extension Option 1	12	\$ 3,693,978	n/a	n/a
Extension Option 2	12	\$ 3,693,978	n/a	n/a
Extension Option 3	12	\$ 3,693,978	n/a	n/a
TOTAL	72	\$ 22,163,868	\$ -	\$ -