



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**ACM:** Cassey Ogden  
**DATE:** November 14, 2023

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Powell Electrical Systems, Inc., for the purchase of medium voltage switchgear buildings for Denton Municipal Electric; providing for the expenditure of funds therefor; and providing an effective date (RFP 8156 – awarded to Powell Electrical Systems, Inc., for three (3) years, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$6,525,253.00).

### **INFORMATION/BACKGROUND**

Denton Municipal Electric (DME) has substation projects approved in its five-year Capital Improvement Plan (CIP) that requires the purchase of medium voltage switchgear buildings. Switchgear buildings are essential components for substations because they accept the output from the substation power transformer, provide the bus connection to distribution feeder circuit breakers, and include the hardware to control, protect, and isolate distribution feeder circuits. Substation switchgear buildings are used to house switchgear, breakers, relay and control panels, AC and DC systems, meters, SCADA systems, and communications equipment.

A standardized layout for the buildings has been developed that gives the advantages of reducing time for detailed engineering design and review and providing a predictable space requirement within substations. All buildings will be configured with the same basic equipment which will include switchgear, breakers, protection systems, AC and DC circuit breaker panels, redundant heating and air conditioning, interior lighting and outlets, emergency interior and exterior egress lighting, and 125Vdc battery systems (batteries and battery chargers). The buildings are prefabricated at the manufacturer's facility and shipped as completed functional units to the sites.

RFP #8156 was prepared to obtain unit pricing for switchgear buildings. The prices quoted in this RFP include all estimated shipping costs to Denton, Texas and offloading will be provided by the manufacturer. Two responsive proposals were received. Purchase orders will be issued for each switchgear building when the project is ready to proceed using the unit pricing in this proposed contract. The proposed contract will not be exclusive, will not obligate DME to expend any minimum amount, and can be terminated at any time with written notification.

We estimate that we will need to purchase one building for the Brinker Substation, two for the Underwood Substation, and one additional building to be used in the future.

<b>Project Description</b>	<b>Estimated 5-Year Expenditure</b>
Year 1	\$815,657
Year 2	\$2,446,969
Year 3	\$1,631,313
Year 4	\$815,657
Year 5	\$815,657
<b>Total:</b>	<b>\$6,525,253</b>

Request for Proposals was sent to 896 prospective suppliers, including 39 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Two (2) proposals were received, references were checked, and proposals were evaluated based upon published criteria including price, delivery, compliance with specifications, and probable performance. Best and Final Offers (BAFO) were requested from both firms. Based upon this evaluation, Powell Electrical Systems, Inc. was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	155, 220, 285, 287, 553, 578, & 691
Notifications sent for Solicitation sent in IonWave:	896
Number of Suppliers that viewed Solicitation in IonWave:	42
HUB-Historically Underutilized Business Invitations sent out:	73
SBE-Small Business Enterprise Invitations sent out:	365
Responses from Solicitation:	2

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On November 13, 2023, this item will be presented to the Public Utilities Board (PUB) for consideration.

### **RECOMMENDATION**

Award a contract with Powell Electrical Systems, Inc., for the purchase of medium voltage switchgear buildings for Denton Municipal Electric, in a three (3) year, with the option for two (2) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$6,525,253.

### **PRINCIPAL PLACE OF BUSINESS**

Powell Electrical Systems, Inc.  
Houston, TX

### **ESTIMATED SCHEDULE OF PROJECT**

This is an initial three (3) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same. Delivery of the items will occur approximately 52 weeks after receipt of order.

### **FISCAL INFORMATION**

These products will be funded through DME's CIP budget account 605250500 and 603234500. Requisition #161554 has been entered into the Purchasing software system in the amount of \$1,634,447.00 for the first year and half of the project.

## **EXHIBITS**

Exhibit 1: Agenda Information Sheet  
Exhibit 2: Pricing Evaluation  
Exhibit 3: Presentation  
Exhibit 4: Ordinance and Contract

Respectfully submitted:  
Lori Hewell, 940-349-7100  
Purchasing Manager

For information concerning this acquisition, contact: Cody Tenorio, 940-349-7532.

Legal point of contact: Marcella Lunn at 940-349-8333.