



City of Austin

Recommendation for Action

File #: 26-1639, **Agenda Item #:** 21.

5/21/2026

Posting Language

Authorize a contract for air insulated switchgears for Austin Energy with Priester-Mell & Nicholson Inc., for an initial term of two years with up to three one-year extension options for a total contract amount not to exceed \$4,000,000. Funding: \$4,000,000 is available in the Capital Budget of Austin Energy.

Lead Department

Austin Financial Services.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$4,000,000 is available in the Capital Budget of Austin Energy.

Procurement Language:

Austin Financial Services issued an Invitation for Bids solicitation IFB 1100 CPG1004 for these goods. The solicitation was issued on November 24, 2025, and closed on January 6, 2026. Of the four offers received, the bid submitted by the recommended contractor was the lowest responsive bid. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's website. This information can currently be found at

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=143049.

MBE/WBE:

This contract will be awarded in compliance with City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to Austin Financial Services - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

May 11, 2026 - Recommended by the Electric Utility Commission on an 11-0 vote.

Additional Backup Information:

The contract will provide air insulated switchgears for Austin Energy. Switchgears are centralized, metal-enclosed collection of devices including circuit breakers, switches, and fuses designed to control, protect, and isolate electrical equipment. They are essential for maintaining safe, reliable power distribution by enabling utilities to manage faults, protect critical assets, and ensure continuous service to customers. The switchgears

will be used to replace units as they reach their end of life.

This contract will replace a contract expiring June 26, 2026. The recommended contractor is the current provider of these goods. The requested authorization are based on the trends in the number of units issued for the past three years multiplied by the life of the contract.

Switchgears are critical to the stability and efficiency of the electric utility's operations. If a contract is not approved, Austin Energy customers could be vulnerable to outages and service interruptions.

Contract Details:		
Contract Term	Length of Term	Contract Authorization
Initial Term	2 years	\$1,600,000
Optional Extension 1	1 year	\$800,000
Optional Extension 2	1 year	\$800,000
Optional Extension 3	1 year	\$800,000
Total	5 years	\$4,000,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.