

AGENDA



Thursday, August 20, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 23

Subject: Authorize award and execution of a 12-month requirements service contract with TECHLINE, INC., Austin, TX for rebuilding network protectors in Austin Energy's downtown electrical network in an estimated amount not to exceed \$872,364, with three 12-month extension options in an estimated amount not to exceed \$872,364 per extension option, for a total estimated contract amount not to exceed \$3,489,456.

Amount and Source of Funding: Funding in the amount of \$72,697 is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy. Funding for the remaining 11 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.

For More Information: Terry Nicholson, Sr. Buyer/322-6586

Purchasing Language: Lowest bid meeting specification of three bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C 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.

Boards and Commission Action: Recommended by the Electric Utility Commission.

This contract will establish a source for rebuilding network protectors of various types and sizes from different manufacturers. Network protectors are used to protect transformers from electrical faults and are located in network vaults that serve the downtown underground electrical network. Vaults are inside downtown area buildings, and in some cases below ground level. This rebuild service will allow Austin Energy to continue using network protectors that have been damaged or worn. The rebuild will also require the contractor to maintain a submersible enclosure that keeps the protectors dry and in service in case of flooding. MBE/WBE solicited: 5/0 MBE/WBE bid: 0/0

PRICE ANALYSIS:

- a. Adequate competition.
- b. Fifty-four notices were sent, including five MBEs. There are no known WBEs available for this service. Three bids were received, with no response from the MBEs.
- c. The pricing offered represents a 13% decrease from the last purchase made in June 2004.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Techline, Inc. is not the previous provider of these services.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.