

AGENDA



Thursday, January 13, 2011

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 22

Subject: Authorize award and execution of a 24-month requirements service contract with TECHLINE, INC., Austin, TX for network protector rebuild services for Austin Energy in an estimated amount not to exceed \$1,893,304, with two 12-month extension options in an estimated amount not to exceed \$946,652 per extension option, for a total estimated contract amount not to exceed \$3,786,608.

Amount and Source of Funding: Funding in the amount of \$946,652 is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy. Funding for the remaining 15 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: A fiscal note is attached.

For More Information: Gage Loots, Buyer II/512-322-6118

Purchasing Language: Lowest bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-C 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 for equipment currently installed throughout the Austin Energy service territory. It includes 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. These vaults are located inside downtown area buildings, and in some cases below ground level. This rebuild service will allow Austin Energy to rebuild and then reuse protectors that have been damaged or worn. This agreement will also require the contractor to maintain a submersible enclosure around the network protector that keeps the protectors dry and in service in case of flooding.

MBE/WBE solicited: 1/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

- Adequate competition.
- Fifty-nine notices were sent, including one MBE and one WBE. Two bids were received, with no response from the MBE/WBEs.
- The pricing offered represents a 6% increase to the last contract award in August 2009.

APPROVAL JUSTIFICATION

- Lowest bid received. Techline, Inc. is the current supplier of this service.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.