

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	12308	<b>Agenda Number</b>	26.
<b>Meeting Date:</b>	February 9, 2012			
<b>Department:</b>	Purchasing			
<b>Subject</b>				
Authorize award and execution of a supply contract with NATIONAL ELECTRICAL SYSTEMS, INC., for the purchase of potential transformers for Austin Energy to be installed at various substations in an amount not-to-exceed \$200,640.				
<b>Amount and Source of Funding</b>				
Funding is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy.				
<b>Fiscal Note</b>				
There is no unanticipated fiscal impact. A fiscal note is not required.				
<b>Purchasing Language:</b>	Lowest bid of four bids received.			
<b>Prior Council Action:</b>	█			
<b>For More Information:</b>	Gage Loots, Buyer II /512-322-6118			
<b>Boards and Commission Action:</b>	Recommended by the Electric Utility Commission.			
<b>MBE / WBE:</b>	This contract will be awarded in compliance with Chapter 2-9D 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.			
<b>Related Items:</b>	█			

### Additional Backup Information

This contract is for the one-time purchase of twenty-four potential transformers for Austin Energy (AE). Potential transformers convert larger transmission voltages to lower voltages so that protective relays and other control devices can function properly by providing transient and steady-state voltage measurements necessary to operate control and protection equipment.

These potential transformers will be brought into inventory to be used to complete new installations and upgrades as well as to replace outdated equipment at the Dunlap, Stoney Ridge, Williamson, Hi-Cross, Salem Walk, McNeil and Summit Substations.

MBE/WBE solicited: 1/1

MBE/WBE bid: 0/0

#### **BID TABULATION**

IFB No. GAL0032  
138kV Potential Transformers  
(1 – line item, qty. 24)

<b><u>Vendor</u></b>	<b><u>Unit Price</u></b>	<b><u>Total Bid Amount</u></b>
National Electrical Systems, Inc. Boonville, NY	\$8,360.00	\$200,640.00
Power Supply, Inc. Austin, TX	\$8,987.00	\$215,688.00
ALSTOM Grid, Inc. Waynesboro, GA	\$9,535.00	\$228,840.00
Priester-Mell & Nicholson, Inc. Austin, TX	\$10,965.00	\$263,160.00

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

#### **PRICE ANALYSIS**

- a. Adequate competition.
- b. Eighty-three notices were sent including one MBE and one WBE. Four bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents an 11% decrease from the last contract award made May 2011. The price decrease is due to bulk savings and lesser per unit freight costs associated with the large quantity to be purchased with a single order.

#### **APPROVAL JUSTIFICATION**

- a. Lowest bid received.

- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.