

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	17847	Agenda Number	34.
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Meeting Date:	August 23, 2012
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Department:	Purchasing
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Subject

Authorize award and execution of four 24-month requirements supply agreements for the purchase of transmission insulators and insulator hardware for Austin Energy with KBS ELECTRICAL DISTRIBUTORS INC. in an estimated amount not to exceed \$205,762, with two 12-month extension options in an estimated amount not to exceed \$102,881 per extension option, for a total estimated contract amount not to exceed \$411,524; TECHLINE INC. in an estimated amount not to exceed \$179,780, with two 12-month extension options in an estimated amount not to exceed \$89,890 per extension option for a total estimated contract amount not to exceed \$359,560; POWER SUPPLY in an estimated amount not to exceed \$119,758, with two 12-month extension options in an estimated amount not to exceed \$59,879 per extension option, for a total estimated contract amount not to exceed \$239,516; and PRIESTER-MELL NICHOLSON INC. in an estimated amount not to exceed \$26,248, with two 12-month extension options in an estimated amount not to exceed \$13,124 per extension option, for a total estimated contract amount not to exceed \$52,496. The annual amount for all transmission insulators and insulator hardware required under these agreements will be for a total estimated amount not to exceed \$265,774 each and combined.

Amount and Source of Funding

Funding in the amount of \$44,296 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 22 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.

Purchasing Language:	Lowest bids meeting specification.
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Prior Council Action:	
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For More Information:	Gabriel Guerrero, Buyer II /322-6060
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Boards and Commission Action:	To be reviewed by the Electric Utility Commission on August 20, 2012.		
Related Items:			
MBE / WBE:	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.		
Additional Backup Information			
These contracts will provide for the supply of various types of insulators and accessories such as line post insulators, station post insulators, braced line post insulators, suspension disc insulators, and horizontal post insulators, clamps, shackles and rods. These items will be used to replenish stock at Austin Energy's Kramer warehouse for issuance to Transmission and Substation crews for maintenance and construction projects as needed. These insulators and hardware are necessary to insulate the energized overhead conductor from the supporting structure and equipment. The transmission line insulators are used to separate and support the 138 kV transmission conductors. These insulators, which do not allow current thru themselves, are installed on transmission poles to allow the current to travel thru the conductors and not to the transmission poles.			
MBE/WBE solicited: 3/2 MBE/WBE bid: 0/0			
<u>BID TABULATION</u> IFB No. GGU0109 Transmission Insulators & Hardware Annual Price Agreement (22 Line Items)			
<u>VENDOR</u>	<u>Number of Line Items Bid</u>	<u>Number of Line Items Awarded</u>	<u>Total Annual Award</u>
KBS Elec. Dist. Austin, TX	20	9	\$102,880
Techline Inc. Austin, TX	19	3	\$89,890
Power Supply Inc. Austin, TX	22	7	\$59,880
Priester-Mell & Nicholson Austin, TX	9	3	\$13,124
Texas Electric Cooperatives Georgetown, TX	8	0	No Award
MVA Power Inc. Montreal, Quebec, Canada	21	0	No Award
Stuart C. Irby Co	*		

Austin, TX

The Utilicor Corporation
Mansfield, TX

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* Non-responsive due to exceptions taken to the City's terms and conditions.

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. Two Hundred and fifty-one notices were sent, including three MBE's and two WBE's. Eight bids were received, with no response from the MBE /WBE's.
- c. The pricing offered represents a 16.2% decrease from the last contract award in August 2009. Decrease is due to more competitive market conditions and volume discounts based on increased items available under the contract.

APPROVAL JUSTIFICATION

- a. Lowest bids received meeting specification. Techline and KBS are the current providers of these products.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.