

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	20483	Agenda Number	32.
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Meeting Date:	December 13, 2012
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Department:	Purchasing
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Subject

Authorize ratification of a contract with SPX TRANSFORMER SOLUTIONS, INC. DBA WAUKESHA ELECTRIC for the purchase of a 50MVA power transformer to be installed at Austin Energy's Patton Lane Substation in an amount not to exceed \$1,148,260.

Amount and Source of Funding

Funding is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Critical Business Need.
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Prior Council Action:	
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For More Information:	Gage Loots, Buyer II /512-322-6118
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Boards and Commission Action:	Recommended by the Electric Utility Commission.
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MBE / WBE:	
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Related Items:	This contract was 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.
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Additional Backup Information

This contract is for the purchase of one 50MVA power transformer for Austin Energy (AE) from SPX Transformer Solutions, Inc. dba Waukesha Electric, Waukesha, WI. Power transformers convert power delivered by the transmission system from 138,000 volts to the distribution level of 12,470 volts. This equipment is necessary to provide power at a useable voltage to residential and commercial customers.

On September 20, 2012, the PL-789 transformer at the Patton Lane Substation catastrophically failed, interrupting power to Freescale Semiconductor. The apparent cause of the failure was moisture ingress into a manhole during a rainstorm. The transformer was not field repairable and required replacement. This transformer is one of two dedicated units feeding the Freescale Semiconductor plant in Oak Hill. AE is utilizing another transformer in the Patton Lane Substation as a backup to temporarily provide Freescale Semiconductor with redundant power; however, this transformer will be required to serve other customers.

The current delivery lead time for this type of transformer is approximately eight months; therefore, the purchase needed to be completed immediately as a critical business need in order to have the required replacement transformer installed in time for the summer peak season.