

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	72873	<b>Agenda Number</b>	44.
<b>Meeting Date:</b>	August 17, 2017			
<b>Department:</b>	Purchasing			
<b>Subject</b>				
<p>Authorize award and execution of a 12-month contract with TEXAS ELECTRIC COOPERATIVES; a local bidder that offers the City the best combination of contract price and additional economic development opportunities, including the employment of residents and increased tax revenues; to provide relays for switchgear and control panels in an estimated amount of \$274,157 with four 12-month extension options in an estimated amount of \$274,157 per extension, for a total contract amount not to exceed \$1,370,785.</p>				
<b>Amount and Source of Funding</b>				
<p>Funding in the amount of \$49,690 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Energy. Funding for the remaining 10 months of the original contract period and extension options are contingent upon available funding in future budgets.</p>				
<b>Fiscal Note</b>				
<p>A fiscal note is not required.</p>				
<b>Purchasing Language:</b>	<p>The Purchasing Office issued an Invitation for Bids (IFB) ME A0005 for these goods on December 9, 2016 and it closed on January 12, 2017 with eight offers received. The recommended offer is the best offer submitted by a responsible offeror, considering local preference. Additional information on the solicitation is included below the line.</p>			
<b>Prior Council Action:</b>	<p>█</p>			
<b>For More Information:</b>	<p>Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov</p> <p>NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Maria Andrade, at 512-972-9424 or Maria.Andrade@ austinenergy.com</p>			
<b>Boards and Commission Action:</b>	<p>July 17, 2017 - The Electric Utility Commission meeting was cancelled due to lack of quorum.</p>			
<b>Related Items:</b>	<p>█</p>			

**MBE / WBE:**

This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

**Additional Backup Information**

The contract will provide relays and associated parts to Austin Energy on an as-needed basis. These protective relays will be installed on control panels and switchgear to protect high voltage transmission lines, substation equipment and the distribution system providing electricity to homes and businesses. All of the items are part of an upgrade to a new, more efficient standard of using microprocessor relays to analyze voltages and currents that can trigger faults in electric power systems.

This contract will replace the previous contract, which expired on August 23, 2016 with expenditures of \$398,328. The utility had adequate stock to support their requirements since the expiration of the previous contract, but will be required to purchase parts on the open market until the new contract goes into effect, if necessary. This contract is based on current estimated quantities that are more representative of recent and forecasted demand.

This recommendation is in accordance with Local Government Code 271.905 and Council Resolution No. 20140807-113 regarding Local Vendor Preferences. This local bidder offers the best combination of contract price and additional economic development opportunities for the City, including the employment of residents and increased tax revenues.

**BID TABULATION**

IFB MEA0005

Relays for Switchgear and Relay Panels

(52 Line Items - 24 line items are for forecasted usage, the remaining line items are for pricing purposes only to support emergency and maintenance needs)

**VENDOR**

**TOTAL BID AMOUNT**

Hill Country Computer	\$269,939.01
Texas Electric Cooperatives	\$274,157.13*
CAPP	\$276,545.40
Techline, Inc.	\$285,444.27
Wholesale & MFR PVF Inc.	\$297,686.25
Anixter, Inc.	\$336,493.68
Ortega Electrical Solutions	\$325,711.68
Apfelbaum Industries, Inc.	\$742,007.90

**\* Local Business Preference**

The Local Preference award is .016% higher than the low bid.

This contract will be awarded in an annual estimated amount of \$274,157 dependent upon quantities required.

A complete solicitation package, including a bid tabulation, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

<b>TEXAS ELECTRIC COOPERATIVES</b>				
	<b># months</b>	<b>Contract Amount</b>	<b>Contract Amendment</b>	<b>Revised Amount</b>
Original Term	12	\$ 274,157	n/a	n/a
Extension Option 1	12	\$ 274,157	n/a	n/a
Extension Option 2	12	\$ 274,157	n/a	n/a
Extension Option 3	12	\$ 274,157	n/a	n/a
Extension Option 4	12	\$ 274,157	n/a	n/a
<b>TOTAL</b>	<b>60</b>	<b>\$ 1,370,785</b>	<b>\$ -</b>	<b>\$ -</b>