

Purchasing Service Agreement CITY OF AUSTIN RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 18 AGENDA DATE: Thu 06/10/2004 **PAGE:** 1 of 2

SUBJECT: Authorize execution of a 12-month service agreement with POWER SUPPLY, INC., Austin, TX, for the rebuilding of network protectors in an amount not to exceed \$1,006,340, with four 12-month extension options in an amount not to exceed \$1,006,340 each, for a total agreement amount not to exceed \$5,031,700.

<u>AMOUNT & SOURCE OF FUNDING</u>: Funding in the amount of \$251,585.01 is available in the Fiscal Year 2003-2004 Amended Operating Budget of the Electric Utility Department. Funding for the remaining nine 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.

REQUESTING Purchasing	DIRECTOR'S
DEPARTMENT: for Austin Energy;	AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Dolores Castillo, (512) 322-6466

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

<u>PURCHASING</u>: Lowest bid meeting specification of three bids received.

<u>MBE / WBE:</u> This contract will be awarded in compliance with Chapter 2-9 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.

This service agreement will establish a source for rebuilding network protectors from different manufacturers, and of several types and sizes. The rebuild will allow Austin Energy to continue using network protectors that have been damaged or worn. The rebuild will also require the contractor to install a submersible enclosure, which will keep the protectors dry and in service even if flooded. This enclosure will also keep out dust, thereby reducing overall maintenance and increasing safety. The cost of rebuilding a network protector is 70 - 75% of the cost of purchasing a new one. The rebuilt network protectors are expected to have the same lifespan and will carry the same warranty as a new unit.

Network protectors are used in conjunction with transformers, and protect the transformer from electrical faults.

MBE/WBE Solicited: 0/0

MBE/WBE Bid: 0/0



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BID TABULATION

Rebuild total of 49 Network Protectors

IFB No. DC04300013

Vendor	Total
Power Supply Austin, TX	\$1,006,340
Richards Manufacturing Irvington, NJ	\$1,009,847
Richards Manufacturing Irvington, NJ	\$ 960,792*

*Alternate bid submitted by Richards Manufacturing did not meet specification requirements for a relay with communications. Richards' alternate bid was for a relay without communications ability.

A complete bid tabulation is available in the Purchasing Office.

PRICE ANAYLSIS

- a. Adequate competition.
- b. Four notices were issued. Two solicitations were issued and three bids were received. There are no known MBEs/WBEs for this service.
- c. Austin Energy has not previously contracted for this type of service.

APPROVAL JUSTIFICATION

- a. Low bid.
- b. The Electric Utility Department concurs with this award.
- c. Advertised on the Internet.