



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 23
AGENDA DATE: Thu 08/26/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with KBS ELECTRICAL DISTRIBUTORS, Austin, TX, in an amount not to exceed \$66,460, with four 12-month extension options in an amount not to exceed \$66,460 per extension option, for a total agreement amount not to exceed \$332,300; and with TECHLINE, INC., Austin, TX, in an amount not to exceed \$45,522, with four 12-month extension options in an amount not to exceed \$45,522 per extension option, for a total agreement amount not to exceed \$227,610 for substation class surge arresters.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$9,331.83 is available in the Fiscal Year 2003-2004 Amended Operating Budget of the Electric Utility Department. Funding for the remaining 11-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

PURCHASING: Low bids of three bids received.

MBE / WBE: 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 contract will establish two annual supply agreements for 16 various types of substation class surge arresters. Surge arresters are the primary protection against various kinds of overvoltages. The surge arresters are connected to electrical equipment to protect it by diverting the surge current to the ground. Large overvoltages that develop suddenly on transmission and distribution circuits are referred to as surges or transients. Surges can be caused by lightning strikes, or by circuit-switching operations as well as the operation of other devices connected to the system. Large overvoltages can damage electrical equipment connected to the system.

MBE/WBE Solicited: 2/1

MBE/WBE Bid: 0/0



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BIDTABULATION

Substation Surge Arresters
IFB No. DC04100025

<u>DESCRIPTION</u>	<u>QTY</u>	<u>KBS Elect. Austin, TX</u>	<u>Techline Austin, TX</u>	<u>Power Supply Austin, TX</u>
Surge Arrester:				
8.4 upright mount	10	\$1,860	\$2,059.50	\$2,120
8.4 underhung mount	6	\$1,086	\$1,265.70	\$1,272
19.5 upright mount	3	\$783	\$927	\$1,344
19.5 underhung mount	3	\$765	\$942	\$1,344
36.5 upright mount	3	\$1,242	\$1,209	\$1,740
36.5 underhung mount	3	\$1,254	\$1,218	\$1,740
42 upright mount	12	\$5,436	\$5,112	\$7,560
42 underhung mount	6	\$2,694	\$2,580	\$3,780
84 upright mount	40	\$27,560	\$37,120	\$44,160
84 underhung mount	10	\$6,870	\$9,650	\$11,040
84 w/grade ring	20	\$15,780	\$19,100	\$22,080
88 upright mount	8	\$6,344	\$7,598	\$8,968
42/84 underhung mount	6	\$5,412	\$5,520	\$8,832
42/84 underhung mt.	3	No bid	\$2,775	\$4,416
209 upright mount	6	\$19,866	\$16,176	\$33,312
209 underhung mt	6	No Bid	\$16,452	\$33,312

PRICE ANALYSIS

- Adequate competition.
- Nine notices were issued including two MBEs and one WBE. Five solicitations were issued and three bids were received. M/WBEs did not respond.
- A price comparison with the last contract established in February 2000 indicates prices have decreased approximately 6% for like items.

APPROVAL JUSTIFICATION

- Low bidders.
- The Electric Utility Department concurs with this award.
- Advertised on the Internet.