

A U S T I N C I T Y C O U N C I L  
**AGENDA**

Thursday, September 28, 2006

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**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****ITEM No. 44**

**Subject:** Approve ratification of a contract with POWER SUPPLY INC., Austin, TX, for transformer bushings in an amount not to exceed \$86,000.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2005-2006 Amended Capital Budget of the Austin Energy Department.

**Fiscal Note:** A fiscal note is attached.

**Additional Backup  
Material**

(click to open)

☐ **CBN MEMO\_POWER  
SUPPLY**☐ **Power\_Supply\_FN**

**For More Information:** Gabriel Guerrero, Buyer II/322-6060

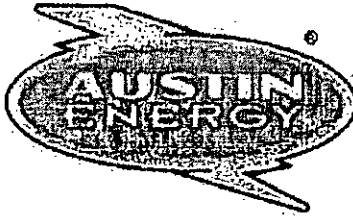
**Purchasing Language:** Critical Business Need.

**MBE/WBE:** 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.

Austin Energy determined this purchase was a critical business need to enable the timely repairs caused by a fire at the Patton Lane Substation on July 19, 2006, as well as making significant system improvements at both the Patton Lane and Oak Hill Substations to improve reliability of electric service delivery to the Oak Hill Freescale location.

The contract is for the purchase of 16 transformer bushings. Bushings are a critical component of Austin Energy's substation class power transformers by providing the interface between high-voltage transmission lines and the transformers.

ABB is the Original Equipment Manufacturer of the bushings being purchased and Power Supply Inc. is the authorized distributor and representative for ABB bushings to the City of Austin. Only ABB bushings are used throughout the Austin Energy System for this type of application.



## MEMORANDUM

**TO:** Mayor and Council Members  
Toby Hammett Futrell, City Manager

**FROM:** Juan Garza, General Manager  
Austin Energy

**DATE:** August 4, 2006

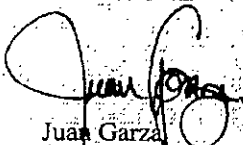
**SUBJECT:** Critical Business Need for Purchase related to Service Interruption at Patton Lane Substation

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On July 19, 2006, Austin Energy (AE) experienced a fire at the Patton Lane Substation. In addition to the required repairs, AE has committed to making significant system improvements at both the Patton Lane and Oak Hill Substations, to improve reliability of electric service delivery to the Oak Hill Freescale location. Some of these improvements require completion by the third week of September 2006, so any delay will jeopardize our commitment to Freescale. In order to meet this aggressive project schedule, several purchases need to be made immediately.

The first of these is a contract with Power Supply, Inc. for transformer bushings, in the amount of \$86,000. Our expedited project schedule requires that AE issue purchase orders immediately to meet the required delivery date for this equipment. For this reason, I am designating this purchase as a critical business need. We will be bringing the RCA for this purchase to Council in the next several weeks.

Please let me know if you have any questions. I can be reached at 322-6002 or at 972-2194.

  
Juan Garza  
General Manager  
Austin Energy

**CIP BUDGET**  
**Fiscal Note**

**DATE OF COUNCIL CONSIDERATION:**

9/28/2006

**WHERE ON AGENDA:**

Resolution

**DEPARTMENT:**

Austin Energy

**SUBJECT:** Approve ratification of a contract with POWER SUPPLY INC., Austin, TX, for transformer bushings in an amount not to exceed \$86,000.

**FINANCIAL INFORMATION:**

Parent Project Name:     **Distribution Substation**  
Project Authorization:     2006-2007 Approved Capital Budget

Current Appropriation	\$ 93,649,349.00	
Unencumbered Balance		\$ 19,483,190.51
Amount of This Action		<u>(86,000.00)</u>
Remaining Balance		<u><u>\$ 19,397,190.51</u></u>

**Use of Remaining Balance:**

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

**Use of Any Remaining Funds After Completion of Project:**

No remaining funds anticipated at this time.

Manager, Budget   Signature: J.E. Pokorny                      Date: 9/6/2006