

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	13128	Agenda Number	54.
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Meeting Date:	March 22, 2012
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Department:	Purchasing
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Subject

Authorize award and execution of a contract with PRIESTER-MELL & NICHOLSON INC for the purchase of voltage regulators for Austin Energy in an amount not to exceed \$88,694.

Amount and Source of Funding

Funding is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy.

Fiscal Note

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

Purchasing Language:	Sole bid received.
Prior Council Action:	
For More Information:	Gabriel Guerrero, Buyer II /322-6060
Boards and Commission Action:	Recommended by the Electric Utility Commission.
MBE / WBE:	This contract will be 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.
Related Items:	This contract will be 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.

Additional Backup Information

This contract is for the purchase of a total of seven voltage regulators, in three different sizes. These regulators are required to fulfill emergency stock at the Decker Transformer Shop Warehouse.

The purpose of a voltage regulator is to step up or step down voltage to ensure customers are receiving adequate voltage. Austin Energy endeavors to maintain the voltage within industry-accepted standards of $\pm 5\%$ at the service point. Typically on a heavily loaded circuit, the circuit ends will experience voltage drop. When this voltage drop exceeds 5%, voltage regulators are utilized to ensure customers receive voltage in accordance with industry standards. Serving inadequate voltage can cause customer equipment to operate improperly and could cause damage to certain types of equipment such as motors.

MBE/WBE Solicited: 0/0

MBE/WBE Bid: 0/0

BID TABULATION
IFB No. GGU0099REBID
Voltage Regulators
(3 line items)

<u>VENDOR</u>	<u>Total Bid Amount</u>
Priester-Mell & Nicholson Inc. Austin, TX	\$88,693.50

PRICE ANALYSIS

- a. Sole bid. Priester-Mell & Nicholson is the only authorized distributor of the requested manufacturer to the City of Austin and no other vendor bid an equal product which the solicitation allowed for.
- b. Ninety-four notices were sent, There are no known MBE /WBEs for this commodity code. One bid was received.
- c. The pricing offered represents an approximate four percent increase for items previously purchased.

APPROVAL JUSTIFICATION

- a. Sole bid received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.