

**AGENDA**



**Recommendation for Council Action (Purchasing)**

<b>Austin City Council</b>	<b>Item ID:</b>	28875	<b>Agenda Number</b>	40.
<b>Meeting Date:</b>	December 12, 2013			
<b>Department:</b>	Purchasing			
<b>Subject</b>				
<p>Authorize negotiation and execution of a 12-month requirements service contract with JB TEMPLETON CONSULTING or the other qualified offeror to RFP No. GAL0013, JIN SIM &amp; ASSOCIATES, INC. for the purchase of power transformer consulting services for Austin Energy in an amount not to exceed \$50,000, with four 12-month extension options in an amount not to exceed \$50,000 per extension option, for a total contract amount not to exceed \$250,000.</p>				
<b>Amount and Source of Funding</b>				
<p>Funding in the amount of \$37,500 is available in the Fiscal Year 2013-2014 Operating Budget of Austin Energy. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets.</p>				
<b>Fiscal Note</b>				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
<b>Purchasing Language:</b>	Best evaluated proposal.			
<b>Prior Council Action:</b>	█			
<b>For More Information:</b>	Paige McDonald, Buyer II /512-322-6118			
<b>Boards and Commission Action:</b>	November 18, 2013 - Approved by the Electric Utility Commission on a 5-0 vote.			
<b>Related Items:</b>	█			
<b>MBE / WBE:</b>	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.			

## Additional Backup Information

This contract is for power transformer consulting services for Austin Energy. These services include on-going support for transformer design specifications, manufacturer design reviews, in-process inspections, witness testing, and transformer failure analysis.

Transformers are very expensive, highly critical assets with long lead times of approximately one year. Transformer failures can be quite dramatic and cause extensive collateral damage. Therefore, Austin Energy utilizes a consultant to review design specifications, manufacturer design reviews, inspections, failure analysis, and other processes and reports. Since using a consultant to provide these services, transformer failures have reduced considerably.

An Austin Energy evaluation team with expertise in this area evaluated the proposals and evaluation criteria included demonstrated applicable experience, personnel qualifications, grasp of the requirements, and overall approach to accomplish the work, cost, and local business presence.

The evaluation team chose JB Templeton Consulting and Jin Sim & Associates, Inc. as qualified offerors due to their expertise and experience in transformer design; however, JB Templeton Consulting was their unanimous choice as the best to provide these services based on these criteria and specifically noted their vast experience in both transformer design from the manufacturing side as well as in transformer consulting from the customer side.

This request allows for the development of an agreement with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will then return to Council so that another qualified offeror may be selected and new contract negotiations may be authorized.

MBE/WBE solicited: 83/36

MBE/WBE bid: 0/0

### **PRICE ANALYSIS**

- a. Adequate competition.
- b. Nine hundred, ninety-four notices were sent, including 83 MBEs and 36 WBEs. Six proposals were received, with no response from the MBE/WBE.

### **APPROVAL JUSTIFICATION**

- a. Best evaluated proposal.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.