



Recommendation for Action

File #: 21-3803, **Agenda Item #:** 4.

2/3/2022

Posting Language

Authorize award of two contracts with Techline, Inc. and Wesco Distribution, Inc. to provide capacitor banks and associated parts, each for a term of five years for total contract amounts not to exceed \$3,565,000, divided between the contractors.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Financial Services Department.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$475,334 is available in the Fiscal Year 2021-2022 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 1100 CSZ1002 for these goods. The solicitation was issued on September 9, 2021, and it closed on October 5, 2021. Of the two offers received, the recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135533)

[<https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135533>](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135533).

For More Information:

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Cedric Zachary, at 512-978-1528 or cedric.zachary@austintexas.gov.

Council Committee, Boards and Commission Action:

January 10, 2022 - The Electric Utility Commission meeting was cancelled due to lack of quorum.

Additional Backup Information:

These contracts will provide capacitor banks and associated parts, including pole-mounted and pre-assembled capacitors, transformers, radios, and antennas for Austin Energy. These capacitor banks and ancillary parts will be used to replenish stock at Austin Energy's St. Elmo warehouse for distribution construction and

maintenance crews for general maintenance and construction. Capacitor banks maintain the desired voltage profile, correct power factor, and reduce power losses in the electrical distribution system. If Austin Energy does not maintain a certain power factor throughout the distribution system, it may be subject to penalties from the Electric Reliability Council of Texas.

The new contracts will replace the existing contract that expires on May 10, 2022.

Strategic Outcome(s):

Government that Works for All.