



Recommendation for Action

File #: 23-3451, **Agenda Item #:** 27.

12/14/2023

Posting Language

Authorize execution of a contract for a transformer oil purification system and trailer with Baron USA, LLC d/b/a Baron USA in an amount not to exceed \$700,000.

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

Lead Department

Financial Services Department.

Client Department(s)

Fleet Mobility Services Department.

Fiscal Note

Funding is available in the Fiscal Year 2023-2024 Capital Budget of Austin Energy.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 7800 BRS1072 for these goods. The solicitation was issued on July 10, 2023, and closed on August 15, 2023. Of the two offers received, the recommended contractor submitted the lowest responsive offer. 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. This information is currently found at

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=138724.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

This contract is for the purchase of a new transformer oil purification system and trailer for processing transformer insulating mineral oils. The oil purification system ensures that transformer insulating mineral oils remain clean and free of contaminants, which leads to improved performance and efficiency of the transformers.

The new units will replace Austin Energy's aging transformer oil purification system and trailer. The current units have become increasingly expensive and time-consuming to maintain due to 30 years of continued usage. Ensuring the continued operation of an oil purification system is essential for the high demands and constraints of summer, winter, and special projects. The new units will also provide Austin Energy with a

reliable and efficient oil purification system to properly maintain all new transformers in the system, increase reliability of electrical supply, support the City's net-zero carbon goal, and meet the North American Electric Reliability Corporation compliance obligation. Fleet Mobility Services coordinates purchases on behalf of City departments for both fixed and mobile assets to maintain data on the assets' location and maintenance history.

This is a one-time purchase. The recommended contractor previously provided these goods. The requested authorization amounts were determined by the contractor's offer.

A delay in contract approval will affect the City's ability to access a reliable transformer oil purification system and trailer to support maintenance and continued operations of Austin Energy's transformers.