



STAFF REPORT

DATE: MARCH 6, 2012
TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: ROD FOSTER, CITY MANAGER/GENERAL MANAGER
PREPARED BY: DAVID X. KOLK, ELECTRIC UTILITY DIRECTOR
SUBJECT: AWARD OF BID FOR VARIOUS TRANSFORMERS FOR THE ELECTRIC UTILITY

RECOMMENDED ACTION

It is recommended that City Council award the Bid for Various Size Transformers for the Electric Utility Department as follows: Items 1 and 6 to HD Supply in the amount of \$45,770.43; Items 2-3 to ERMCO, c/o McAvoy & Markham, in the amount of \$17,707.64; and Items 4-5 to ABB Power Partners, c/o Pacific Utilities, in the amount of \$42,747.66.

GOAL STATEMENT

The proposed action will support the City's goal to provide safe, reliable, affordable, and environmentally sustainable electric service.

BACKGROUND

The electric utility purchases distribution transformers into inventory when the need arises to upgrade, replace, or install a new transformer for an electric customer. The electric utility also orders back-up transformers due to long delivery times. At this time, the electric utility has a requirement for pole and pad mounted transformers to be used for service upgrades and for back-up.

On January 25, 2012, staff issued a Notice Inviting Bids for Various Size Transformers for the Electric Utility, NIB-RG-12001-RG. The Notice Inviting Bids and related documents were distributed through BidNet, the City's online bid system. The Notice Inviting Bids was also posted at City Hall. A public bid opening was held at 10:30 am., on February 14, 2012, at the Electric Department Administrative Offices, and six bids were received.

ISSUES/ANALYSIS

The bids were evaluated as to compliance with the specifications. Distribution transformers are also evaluated for the total life cycle cost over each transformer's useful lifetime. This evaluation is performed using a combination of loss calculations supplied by the transformer manufacturer

and the unit cost quoted by the vendor, and demonstrates the cost of the transformer over its “in-service” life. The transformer that has the lowest initial capital cost plus energy losses over the expected life loses results in the lowest overall cost. The formula used to evaluate the lowest overall cost was provided to potential bidders in the bid documents.

A Transformer Load Loss Evaluation showing the evaluated cost of the transformers over their useful lifetime is attached. A Bid Analysis, showing the purchase price and delivery times quoted by each vendor, is also attached. The recommended vendor’s price is underlined.

FISCAL IMPACTS

Funds are available in the Electric Department Expense Account 520-8000-8008-3890-0107-000.

ALTERNATIVES

1. City Council may provide alternate direction to staff.

ATTACHMENTS

Bid Analysis
Transformer Load Loss Evaluation

		VENDORS						WESCO DISTRIBUTION	
TRANSFORMER SIZES	ABB %Pacific Utilities Pleasant Hill, CA	ERMCO %McAvoy & Markham Irvine, CA	HD SUPPLY Santa Fe Springs, CA	HD SUPPLY Santa Fe Springs	ONE SOURCE Oceanside, CA	Industry, CA			
1	50 KVA Standard Pole Mount, 277/480 NO LOAD LOAD QUANTITY UNIT PRICE DELIVERY EVALUATED PRICE PER EACH EVALUATED TOTAL COST	97 562 6 \$1,421.00 35 Days \$2,920.49 \$17,522.93	112 444 6 \$1,263.00 42-56 Days \$2,610.60 \$15,663.62	89 504 6 \$1,357.13 42-56 Days \$2,716.93 \$16,301.57	103 499 6 \$1,185.57 56 Days \$2,583.62 \$15,501.73	89.0 504.00 6 \$1,400.45 65 Days \$2,763.60 \$16,581.63	89.0 504.00 6 \$1,355.70 42-56 Days \$2,715.39 \$16,292.32		
2	50 KVA Standard Pole Mount 120/240 NO LOAD LOAD QUANTITY UNIT PRICE DELIVERY EVALUATED PRICE PER EACH EVALUATED TOTAL COST	119 481 4 \$1,438.00 35 Days \$2,893.28 \$11,573.10	110 474 4 \$1,239.00 42-56 Days \$2,628.04 \$10,512.17	95 501 4 \$1,354.62 42-56 Days \$2,734.83 \$10,939.33	109 476 4 \$1,275.26 56 Days \$2,666.27 \$10,665.09	95 501 4 \$1,397.85 65 Days \$2,781.41 \$11,125.65	95 501 4 \$1,353.20 42-56 Days \$2,733.30 \$10,933.21		
3	75 KVA Standard Pole Mount 120/240 NO LOAD LOAD QUANTITY UNIT PRICE DELIVERY EVALUATED PRICE PER EACH EVALUATED TOTAL COST	159 626 6 \$1,890.00 35 Days \$3,803.16 \$22,818.93	159 583 6 \$1,913.00 42-56 Days \$3,753.55 \$22,521.29	131 681 6 \$2,009.58 42-56 Days \$3,906.75 \$23,440.51	157 631 6 \$1,981.44 56 Days \$3,901.73 \$23,410.39	131 681 6 \$2,073.71 65 Days \$3,975.85 \$23,855.12	131 681 6 \$2,007.50 42-56 Days \$3,904.51 \$23,427.07		
4	167 KVA Low Profile Pad Mount NO LOAD LOAD QUANTITY UNIT PRICE DELIVERY EVALUATED PRICE PER EACH EVALUATED TOTAL COST	334 1,061 5 \$4,337.00 56-70 Days \$7,944.85 \$39,724.24	265 1,409 5 \$4,357.00 42-56 Days \$8,271.74 \$41,358.69	286 1,232 5 \$5,115.69 154-168 Days \$8,873.32 \$44,366.58	243 1,322 5 \$4,331.96 49 Days \$7,999.65 \$39,998.23	286 1,232 5 \$5,278.96 65 Days \$9,049.24 \$45,246.20	286 1,232 5 \$5,110.40 154-168 Days \$8,867.62 \$44,338.08		
Manufacturer:		ABB	Ernco	Cooper	General Electric	Cooper	Cooper		