

To: Honorable Public Utilities Board

Submitted by: / S /
Robert Orbeta
AGM – Administration

From: Roger Yang
Support Services Manager

Approved by: / S /
Nicolas Procos
General Manager

Subject: By Motion, Authorize the General Manager to Issue a Purchase Order to Howard Industries, Inc., in an Amount Not to Exceed \$16,000 per Material Specification No. MS 05-18-01

RECOMMENDATION

By motion, authorize the general manager to issue a purchase order to Howard Industries, Inc., in an amount not to exceed \$16,000 per material specification no. MS 05-18-01.

BACKGROUND

By Resolution No. 5147 issued on July 16, 2018, the Public Utilities Board (Board) authorized Alameda Municipal Power (AMP) to award purchases to Howard Industries, Inc. (Howard), ABB, Inc. (ABB), and Power Partners, Inc. (PPI), to supply various types of distribution transformers in accordance with material specification no. MS 05-18-01. These purchase awards were executed with initial one-time purchases with options to purchase additional materials for five years.

Since 2018, AMP has made several purchases from Howard as needs arise. Historical purchase details are included in Exhibit B and the current purchase details are included in Exhibit A. The cumulative purchases by AMP in FY 2020 and FY2021, along with the current request in FY 2021, result in total purchases of \$174,700 from Howard

DISCUSSION

The following table shows a list of transformers with the last column showing the quantity recommended for purchase in order to replenish stock for emergency repairs and a new development project for Alameda Marina.

AGENDA ITEM NO. 4.F.2
MEETING DATE: 10/19/2020
ADMINISTRATIVE REPORT NO.: 2021-17

AMP Item Code	Description	Dielectric Fluid	Vendor	Recommended for Purchase
09026	167 KVA 1PH Pad, 240/120 VOLT	Mineral	Howard	1
09043	150 KVA 3PH Pad, 480Y/277	Mineral	Howard	1

Staff requested new quotations from Howard to supply transformers recommended for purchase. Howard has quoted unit pricing that conformed to the price adjustment index for future purchases outlined in Resolution 5147 and provided necessary supporting calculations and documentation. Howard quoted their transformers lower as compared to the original contract price in 2018.

Staff recommends issuance of a purchase order to Howard in an amount not to exceed \$16,000 including sales tax and delivery.

FINANCIAL IMPACT

AMP has sufficient funds in its FY 2021 budget for the purchase of distribution transformers.

LINKS TO AMP STRATEGIC PLAN

Business Resiliency, Strategy 1: AMP will develop an asset management plan to guide efficient capital and maintenance expenditures which improve system operations and resiliency.

EXHIBITS

- A. Pad Mount Transformer Purchase Award Summary
- B. Howard Transformer Purchase History

PAD MOUNT TRANSFORMER PURCHASE AWARD SUMMARY

MS 05-18-01 FOR PAD MOUNTED TRANSFORMERS
 OCTOBER 2020 PURCHASE

Bid Item Number	AMP Item Code	KVA, PHASE, TYPE, VOLTAGE	Dielectric Fluid	Purchase Award	Proposed Purchase Quantity	Awarded Contract Price Each (Including Delivery, Excluding Sales Tax)	Vendor Quote (Including Delivery, Excluding Sales Tax)	Extended Quote Price (Including Delivery & 9.75% Sales Tax)
32	09026	167 KVA 1PH Pad, 240/120 VOLT	Mineral	HOWARD	1	\$7,306.00	\$6,659.00	\$7,308.00
10	09043	150 KVA 3PH Pad, 480Y/277	Mineral	HOWARD	1	\$8,689.00	\$7,920.00	\$8,692.00
						GRAND TOTAL	HOWARD	\$16,000.00

HOWARD TRANSFORMER PURCHASE HISTORY

MS 05-18-01 FOR PAD MOUNTED TRANSFORMERS
 FISCAL YEAR 2020 & 2021

Purchased Time Period	Bid Item Number	AMP Item Code	Description	Awarded Unit Cost (Including Delivery, Excluding Sales Tax)	Current Unit Cost (Including Delivery, Excluding Sales Tax)	Unit Quantities Purchased	Extended Cost (including Delivery & 9.75% Sales Tax)
December 2019	5	9022	37.5KVA, 1PH, PAD, 240/120V(LT)	\$3,119.00	\$3,091.94	1	\$ 3,393.40
December 2019	11	9044	300KVA, 3PH, PAD, 480Y/277V	\$12,205.00	\$12,099.12	2	\$ 26,557.56
February 2020	8	9032	150KVA, 3PH, PAD, 208Y/120V	\$8,507.00	\$8,392.16	8	\$ 73,683.16
February 2020	43	9045	500KVA, 3PH, PAD 480Y/277V	\$15,290.00	\$15,083.59	1	\$ 16,554.24
September 2020	27	9023	50KVA, 1PH, PAD, 240/120V(LT)	\$3,647.00	\$3,542.00	4	\$ 15,552.00
September 2020	29	9024	75KVA, 1PH, PAD 240/120V(LT)	\$4,233.00	\$4,111.00	1	\$ 4,512.00
September 2020	8	9032	150KVA, 3PH, PAD, 208Y/120V	\$8,507.00	\$8,263.00	2	\$ 18,136.00
					TOTAL	19	\$ 158,388.36