



**ALAMEDA
MUNICIPAL POWER**

A Department of the City of Alameda

**AGENDA ITEM NO: 4.G.1
MEETING DATE: 02/23/2021
ADMINISTRATIVE REPORT NO.: 2021-42
ACTION: BY MOTION**

To: Honorable Public Utilities Board

Submitted by: _____ *ISI*
Robert Orbeta
AGM – Administration

From: Roger Yang
Support Services Manager

Approved by: _____ *ISI*
Nicolas Procos
General Manager

Subject: By Motion, Authorize the General Manager to Issue Purchase Orders to Howard Industries, Inc., in an Amount Not to Exceed \$45,000 and Hitachi ABB Power Grids in an Amount Not to Exceed \$67,500 per Material Specification No. MS 05-18-01, and to Anixter Inc. in an Amount Not to Exceed \$ 17,600 from Informal Bid Requests from a Minimum of Three Suppliers

RECOMMENDATION

By motion, authorize the general manager to issue purchase orders to Howard Industries, Inc., in an amount not to exceed \$45,000 and Hitachi ABB Power Grids in an amount not to exceed \$67,500 per material specification no. MS 05-18-01, and to Anixter Inc. in an amount not to exceed \$17,600 from informal bid requests from a minimum of three suppliers.

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), and Hitachi ABB Power Grids (ABB), formerly known as ABB, Inc., 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.

Alameda Municipal Power (AMP) previously purchased transformers in fiscal year (FY) 2020 and FY 2021 from Howard, ABB, PPI, and Anixter as need arose. Historical purchase details are included in Exhibit C and the current purchase details are included in Exhibits A and B. The cumulative purchases by AMP in FY 2020 and FY 2021, along with the current request, result in total purchases of \$218,100 from Howard, \$224,100 from ABB, and \$39,200 from Anixter, and \$14,800 from PPI.

DISCUSSION

The following table shows a list of transformers with the last column showing the quantity recommended for purchase to replenish stock for emergency repairs, Pole Replacement Project, Elks Lodge, 2390 Marinar, East Bay Municipal Utility District (EBMUD) Pump Station at Packet Landing, and Local Capital Group projects at Atlantic Avenue.

AMP Item Code	Description	Dielectric Fluid	Vendor	Recommended for Purchase
09001	POLE, 25 KVA 1PH, 120/240V	Mineral	Anixter	6
09002	POLE, 37.5 KVA 1PH, 120/240V	Mineral	Anixter	7
09033	PAD, 300 KVA 3PH, 208Y/120V	Mineral	ABB	2
09067	PAD, 2500 KVA 3PH 480Y/277 VOLT	Mineral	ABB	1
09021	PAD, 25 KVA 1PH, 240/120V	Mineral	Howard	1
09032	PAD, 150 KVA 3PH, 208Y/120V	Mineral	Howard	1
09043	PAD, 150 KVA 3PH, 480Y/277V	Mineral	Howard	2
09045	PAD, 500 KVA 3PH. 480Y/277V	Mineral	Howard	1

Staff requested new quotations from Howard and ABB to supply pad mount transformers recommended for purchase under the multi-year award previously authorized by the Board per Resolution No. 5147. Howard and ABB have quoted unit pricing that conformed to the price adjustment index for future purchases outlined in the final awards and provided necessary supporting calculations and documentation. Howard and ABB quoted their transformers lower as compared to the original award prices in 2018.

Since PPI could not comply with the index for additional purchases awarded along with the awarded initial purchases, AMP requested and evaluated three quotations from Howard, PPI, and Anixter. Staff recommends awarding purchases to Anixter based on the lowest bid prices including sales tax and delivery for pole mount transformers that conform to the technical specifications in specification no. MS 05-18-01.

Staff recommends issuance of purchase orders to Howard in an amount not to exceed \$45,000, ABB in an amount not to exceed \$67,500 and Anixter in an amount not to exceed \$17,600, to supply distribution transformers, for a combined total of \$130,100, including sales tax and delivery.

FINANCIAL IMPACT

The purchase of distribution transformers will be included in FY 2022 budget, because distribution transformers are not expected to be received and invoices paid until FY 2022.

LINK TO STRATEGIC PLAN AND METRICS

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. Pole Mount Transformer Bid Evaluation & Purchase Award Summary
- B. Pad Mount Transformer Bid Evaluation & Purchase Award Summary
- C. Transformer Purchase History for Fiscal Years 2020 & 2021

POLE MOUNT TRANSFORMER BID EVALUATION & PURCHASE AWARD SUMMARY

FEBRUARY 2021 PURCHASE

AMP Item Code	Description	Dielectric Fluid	Quantity	PPI - Price Each	PPI - Extended Price (Including Delivery & 9.75% Sales Tax)	Howard - Price Each	Howard - Extended price (Including Delivery & 9.75% Sales Tax)	Anixter - Price Each	Anixter - Extended Price (Including Delivery & 9.75% Sales Tax)
09001	XFMR POLE MOUNTED 25 KVA 1PH 120/240V	Mineral	6	\$1,187.00	\$7,816.40	\$1,252.38	\$8,246.92	\$1,079.00	\$7,105.22
09002	XFMR POLE MOUNTED 37.5 KVA 1PH 120/240V	Mineral	7	\$1,530.00	\$11,754.23	\$1,613.23	\$12,393.64	\$1,362.00	\$10,463.57
	Vendor total				\$19,570.62		\$20,640.56		\$17,568.78
	Lead time				23 weeks		19 weeks		19 weeks

PAD MOUNT TRANSFORMER BID EVALUATION & PURCHASE AWARD SUMMARY

MS 05-18-01 FOR PAD MOUNTED TRANSFORMERS
 FEBRUARY 2021 PURCHASE

Bid Item Number	AMP Item Code	Description	Oil Type	Purchase Award	Proposed Purchase Quantity	Awarded Price Each (including Delivery, Excluding Sales Tax)	Vendor Quote Each (Including Delivery, Excluding Sales Tax)	Extended Quote Price (Including Delivery & 9.75% Sales Tax)
9	09033	XFMR PAD MT (L) 300 KVA 3PH 208Y/120 VOLT	Mineral	ABB	2	\$11,470.00	\$11,291.00	\$24,783.75
14	09067	XFMR PAD MT (L) 2500 KVA 3PH 480Y/277 VOLT	Mineral	ABB	1	\$39,525.00	\$38,909.00	\$42,702.63
4	09021	XFMR PAD MT (LT) 25 KVA 1PH 240/120 VOLT	Mineral	HOWARD	1	\$2,906.00	\$2,702.48	\$2,965.97
8	09032	XFMR PAD MT (L) 150 KVA 3PH 208Y/120 VOLT	Mineral	HOWARD	1	\$8,507.00	\$7,911.22	\$8,682.56
10	09043	XFMR PAD MT (L) 150 KVA 3PH 480Y/277 VOLT	Mineral	HOWARD	2	\$8,689.00	\$8,080.47	\$17,736.63
43	09045	XFMR PAD MT (L) 500 KVA 3PH 480Y/277 VOLT	Mineral	HOWARD	1	\$15,290.00	\$14,219.17	\$15,605.54
GRAND TOTAL							ABB	\$67,486.37
GRAND TOTAL							HOWARD	\$44,990.71

TRANSFORMER PURCHASE HISTORY FOR FISCAL YEARS 2020 & 2021

FEBRUARY 2021 PURCHASE

Fiscal Year (FY)	Purchase Date	Purchase Award	Purchase Amount
FY 20	December 2019	Howard	\$ 30,000
		ABB	\$ 60,500
	January 2020	PPI	\$ 7,100
		Anixter	\$ 9,100
	March 2020	Anixter	\$ 2,200
	April 2020	Howard*	\$ 88,900
		ABB	\$ 96,100
FY 21	September 2020	Howard	\$ 38,200
		PPI	\$ 7,700
		Anixter	\$ 10,300
	October 2020	Howard	\$ 16,000
Subtotal by Vendor		Howard	\$ 173,100
		ABB	\$ 156,600
		PPI	\$ 14,800
		Anixter	\$ 21,600
Grand Total			\$ 366,100

*Original approval by the Public Utilities Board was for \$90,500 based on quote; however, Howard invoiced for only \$88,900.