



Legislation Details (With Text)

File #: ID 17-351 **Version:** 1 **Name:**

Type: Ordinance

File created: 3/5/2017 **In control:** City Council

On agenda: 3/21/2017 **Final action:**

Title: Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a fifth amendment to a contract between the City of Denton and ABB, Inc. for Electric Utility 69kV and 138kV Instrument Transformers which was originally approved by Council on December 4, 2012 in the amount of \$2,290,000 with a first through fourth amendment providing for line item changes but no change to the contract award amount, and approved by Purchasing staff; providing for the expenditure of funds therefor; and providing an effective date (File 5064-providing for an additional expenditure amount not-to-exceed \$572,500 with the total contract amount not-to-exceed \$2,862,500).

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1-Original Contract and Amendments, 2. Exhibit 2-Ordinance, 3. Exhibit 3-Fifth Amendment

Date	Ver.	Action By	Action	Result
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AGENDA INFORMATION SHEET

DEPARTMENT: Materials Management

DCM: Bryan Langley

AGENDA DATE: March 21, 2017

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas authorizing the approval of a fifth amendment to a contract between the City of Denton and ABB, Inc. for Electric Utility 69kV and 138kV Instrument Transformers which was originally approved by Council on December 4, 2012 in the amount of \$2,290,000 with a first through fourth amendment providing for line item changes but no change to the contract award amount, and approved by Purchasing staff; providing for the expenditure of funds therefor; and providing an effective date (File 5064-providing for an additional expenditure amount not-to-exceed \$572,500 with the total contract amount not-to-exceed \$2,862,500).

RFP INFORMATION

Denton Municipal Electric (DME) has substation projects approved in its five year Capital Improvement Plan that will require the installation of transmission voltage instrument transformers. Instrument transformers are used to transform currents and voltages from 138kV and 69kV down to levels that can be used in control, protective relay, and metering devices. Transformers are ordered on an as needed basis to maintain appropriate stocking levels through the City's Distribution Center. As these commodities are "common stock items" in the

Distribution Center working capital inventory under City of Denton General Government, they are not reviewed by the Public Utilities Board.

The instrument transformers were originally solicited through a Request for Proposals. The City Council approved a contract with ABB, Inc. on December 4, 2012, in the amount of \$2,290,000 for a five (5) year time period. The first through fourth amendments to the contract were initiated to either add additional line items to the pricing sheet or increase/decrease the cost of a line item. These amendments did not result in any change to the total contract value. This fifth amendment is for an additional amount to allow Denton Municipal Electric to complete installations and infrastructure projects in the last year of this contract, which will increase the total contract value to \$2,862,500. This Fifth Amendment will increase the not to exceed contract value by 25%, which is the maximum allowed amount per the Texas Local Government Code 252.048(d).

RECOMMENDATION

Approve a fifth amendment in the amount of \$572,500 for a total contract award of \$2,862,500.

PRINCIPAL PLACE OF BUSINESS

ABB, Inc.
Lexington, KY

ESTIMATED SCHEDULE OF PROJECT

This contract expires on December 12, 2017.

FISCAL INFORMATION

The costs for material purchased under the proposed agreement will be funded from project accounts on an as needed basis. The work proposed will be in the transmission category. These costs for transmission projects will ultimately be recovered through the Public Utility Commission Transmission Cost of Service Program (TCOS).

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: **Organizational Excellence**
Related Goal: **2.3 Promote superior utility services and facilities**

EXHIBITS

Exhibit 1: Original Contract and Amendments
Exhibit 2: Ordinance
Exhibit 3: Amendment 5

Respectfully submitted:

Ethan Cox, 349-7421
Customer Service Manager

For information concerning this acquisition, contact: Elton Brock at 349-7130.