



## Legislation Details (With Text)

<b>File #:</b>	090116.	<b>Version:</b>	0	<b>Name:</b>	Annual Contract for the Repair, Analysis and Disposal of Used Oil Filled Power Distribution Equipment (B)
<b>Type:</b>	Staff Recommendation	<b>Status:</b>	Passed		
<b>File created:</b>	6/18/2009	<b>In control:</b>	General Manager for Utilities		
<b>On agenda:</b>		<b>Final action:</b>	6/18/2009		
<b>Title:</b>	Annual Contract for the Repair, Analysis and Disposal of Used Oil Filled Power Distribution Equipment (B)				

Staff recommends approval to enter into contracts with Solomon Corporation and RTS Transformer, Inc. for the repair, analysis and disposal of used oil filled power distribution equipment.

### Sponsors:

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### Code sections:

**Attachments:** 1. 090116\_AnnualContract\_20090618.pdf

Date	Ver.	Action By	Action	Result
6/18/2009	0	City Commission	Approved as Recommended	Pass

### Annual Contract for the Repair, Analysis and Disposal of Used Oil Filled Power Distribution Equipment (B)

Staff recommends approval to enter into contracts with Solomon Corporation and RTS Transformer, Inc. for the repair, analysis and disposal of used oil filled power distribution equipment.

The Energy Delivery Apparatus Repair Shop is responsible for testing and evaluating all oil filled power distribution equipment removed from service. The equipment includes conventional, single phase and three phase pad mount transformers. All equipment removed from service is evaluated for energy efficiency, physical and electrical condition, and useful remaining life. The equipment that meets GRU's standards is returned to inventory for future use. Units that fail to meet those standards are decommissioned and sold to a licensed contractor. The utility is paid a scrap value for these units based on the size of the equipment and the current market value, less any testing charges that may be required to ensure that the units are free of any PCB regulated contaminants. The Contractor shall dispose of all PCB contaminated equipment in accordance with all local, state and federal regulations and will supply GRU with the method of disposal and any required documentation.

An Invitation to Bid (ITB) was sent to five prospective bidders for this service, with five responding. The bids were evaluated based on the estimated number of units removed from service annually plus the proposed salvage values of the scrap less testing costs. In order to recover the most value for the equipment, staff recommends awarding contracts to Solomon Corporation for conventional and single phase pad mount transformers and RTS Transformer, Inc. for three phase pad mount transformers. A Bid Tabulation is attached for your information.

The City Commission: 1) declare electric power distribution equipment removed from service be classified as surplus; and 2) authorize the General Manager, or his designee, to negotiate and execute three-year contracts with Solomon Corporation and RTS Transformer, Inc. for these services, subject to approval by the City Attorney as to form and legality.

This contract will allow for recovery of funds for units designated as surplus for FY 2009 through FY 2012. Based on historical data and awarding contracts to both Solomon Corporation and RTS Transformer, Inc., GRU anticipates a return of approximately \$214,000 for conventional and single phase pad mount transformers and approximately

\$62,000. for three phase pad mount transformers over the contract term, less any associated testing costs.  
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Submitted by Robert E. Hunzinger, General Manager