

## AGENDA



Thursday, February 28, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**
**Item No. 41**

**Subject:** Authorize award and execution of a contract with FUJI TRADING (America) COMPANY, INC., Baltimore, MD, for the purchase of valve repair parts for gas turbine generators at the Sand Hill Energy Center in an amount not to exceed \$125,449.88.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Martha L. Gaines, Buyer II/322-6583

**Purchasing Language:** Sole bid received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for the purchase of valve repair parts for the Fukui Seisakusho safety valves on the boiler on the Combined Cycle Units at the Sand Hill Energy Center. It will establish the required initial inventory, which will be used by mechanical crews for general maintenance needs.

MBE/WBE solicited: 0/3 MBE/WBE responded: 0/0

**PRICE ANALYSIS**

- a. Sole bid. Other potential bidders were contacted and stated that they do not provide these type parts. Fukui Seisakusho valves were installed during power plant construction. Fukui Seisakusho (Japan) is the manufacturer of the valves and repair parts. Fuji Trading Company is the ship chandler in the United States for Fukui Seisakusho.
- b. Twenty-seven notices were sent, including three WBEs. There are no known MBEs available for these commodities. One bid was received
- c. This is the initial purchase for these valve repair parts; therefore, there is no previous purchasing history.

**APPROVAL JUSTIFICATION**

- a. Sole bid received.
- b. The Purchasing office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.