

AGENDA



Thursday, April 10, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 33

Subject: Authorize award and execution of a contract with GE ENERGY–ALTAIR FILTER TECHNOLOGY, Louisville, KY, for the purchase of inlet air filters in an amount not to exceed \$66,990.24.

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: Lowest bid meeting specification of two bids 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 864 inlet air filters to be used on Austin Energy's Sand Hill Energy Center's gas turbine units. The intake filters clean up the air pulled into the engine which is used as combustion air. The gas turbines require air filters to keep dirt and other small particles from reaching the engine. The dirt fouls the engine compressor blades which reduces efficiency and results in higher fuel costs as well as lower unit capacity. Larger particles also have the potential of reaching the engine compressor and causing expensive damage. These filters need to be changed on a regular basis to maintain optimum engine performance. MBE/WBE solicited: 0/1 MBE/WBE responded: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Thirty-three notices were sent, including one WBE. There are no known MBEs available for this commodity. Two bids were received with no response from the WBE.
- c. This is the initial purchase for the inlet air filters at the Sand Hill Energy Center; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bid received meeting specification.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.