

## AGENDA



Thursday, April 24, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 38**

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**Subject:** Approve ratification of Amendment No. 1 to a contract with TRANSCANADA TURBINES, LTD, Calgary, Alberta, Canada for the repair of the gas turbine engine in an amount not to exceed \$212,153.01, for a revised total contract amount not to exceed \$2,925,790.65.

**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:** Critical Business Need.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C 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.

**Prior Council Action:** 11/29/07 Approved Contract.

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On November 29, 2007, Council approved the initial repair of Sand Hill Unit No. 3 gas turbine engine. The repair estimate was based on the initial inspection of engine components with evaluations of some components incomplete.

Amendment No. 1 was executed in order to make additional repairs to the turbine that were undetectable during the initial inspection and required complete disassembly in order to identify the damage to certain components. After disassembly was completed, a more detailed inspection revealed that the rotor blades needed repair. The engine repairs have been completed, and the unit is back in service. The prompt repair and return to service provided Austin Energy with 50 megawatts of energy-efficient power.