

AGENDA



Thursday, August 7, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 22**

Subject: Authorize award and execution of 24-month requirements service contracts with CENTRAL TEXAS COMMERCIAL A/C & HEATING, INC., Austin, TX, ENTECH SALES AND SERVICES, INC., Buda, TX, and TAS, Houston, TX for chiller maintenance at the Sand Hill Energy Center in an estimated amount not to exceed \$650,000 each and combined, with two 24-month extension options in an estimated amount not to exceed \$650,000 each and combined per extension option, for a total estimated contract amount not to exceed \$1,950,000 each and combined.

Amount and Source of Funding: Funding in the amount of \$27,084 is available in the Fiscal Year 2007-2008 Operating Budget of Austin Energy. Funding for the remaining 23 months of the original contract period and extension option is contingent upon available funding in future budgets.

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: Best evaluated proposals of three proposals received.

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.

These contracts will provide preventative maintenance, overhaul, inspections, testing, and upgrades on an as needed basis for three centrifugal chillers installed at the Sand Hill Energy Center.

Chillers provide cooling water to the inlet air for the Simple cycle gas turbine units. Multiple contractors are needed in order to assure timely response and expertise. As projects are identified, each contractor will be given the opportunity to submit pricing for the individual project. The lowest bidder meeting the requirements of each individual project will be allowed to perform the work for that project. MBE/WBE solicited: 2/0 MBE/WBE responded: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Sixty-two notices were sent, including two MBEs. There are no known WBEs available for these services. Three proposals were received, with no response from the MBEs.

APPROVAL JUSTIFICATION

- a. Best three evaluated proposals received.
- b. The Purchasing office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.