

AGENDA



Thursday, July 23, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 61**

Subject: Authorize award, negotiation, and execution of a 12-month requirements service contract with AIR HYGIENE, INC, Humble, TX, for stack testing services at Austin Energy power plants in an estimated amount not to exceed \$86,450, with three 12-month extension options in an estimated amount not to exceed \$86,450 per extension option, for a total estimated contract amount not to exceed \$345,800.

Amount and Source of Funding: Funding in the amount of \$14,408 is available in the Fiscal Year 2008-2009 Operating Budget of Austin Energy. Funding for the remaining 10 months of the original contract period and extension options 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: Shawn Harris, Buyer II, 505-7351

Purchasing Language: Best evaluated proposal of four 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.

Boards and Commission Action: Recommended by the Electric Utility Commission.

This contract will provide for stack testing services as needed and required at Austin Energy (AE) sites. Testing of the stacks/flues from the gas and steam turbines is required to determine pollutant concentrations, stack gas velocity and temperature. Annual stack testing is required for AE's air quality permit at Sand Hill Energy Center and Decker Creek Power Station, and to confirm that monitoring equipment mounted on each stack is working properly. In addition, regulations requires stack testing any time a turbine or a source of emissions is installed or modified in a significant way.

An AE team with expertise in environmental regulations and stack testing evaluated the proposals submitted. The criteria evaluated included experience with stack/flue testing, personnel qualifications, responsiveness to the terms and conditions of the RFP and total evaluated cost. MBE/WBE solicited:

13/7 MBE/WBE bid: 0/0