

## AGENDA



Thursday, December 9, 2010

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

**Item No. 40**

**Subject:** Authorize award and execution of a contract with THIELSCH ENGINEERING, INC., Del Valle, TX for the upgrade of a simple-cycle cooling tower at the Sand Hill Energy Center in an amount not to exceed \$142,770.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy.

**Fiscal Note:** A fiscal note is attached.

**For More Information:** Dolores Castillo, Sr. Buyer/512-322-6466

**Purchasing Language:** Lowest bid of three bids 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 services required to upgrade the Sand Hill Energy Center simple-cycle cooling tower #2 basin. The upgrade is required because the existing basin material is constructed of galvanized steel and requires frequent maintenance to prevent leaks, including recoating.

This upgrade will replace the galvanized steel basin with stainless steel which eliminates corrosion and minimizes failure of other cooling tower components due to basin leaks. The upgrade services include disconnecting and reconnecting required piping, and replacement of air inlet louver frames, cross bracing supports, and cold water basins. The Contractor will furnish and install new suction hood assemblies and verify proper operation of the tower.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Twenty-two notices were sent, including one WBE. There are no known MBEs available for this service. Three bids were received, with no response from the WBE.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

**APPROVAL JUSTIFICATION**

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