

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	9719	Agenda Number	44.
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Meeting Date:	October 6, 2011
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Department:	Purchasing
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## Subject

Authorize award and execution of a 12-month requirements service agreement with ENTECH SALES AND SERVICE, INC., Buda, TX to provide corrective chiller repair services for Austin Energy in an estimated amount not to exceed \$28,500, with four 12-month extension options in an estimated amount not to exceed \$28,500 per extension option, for a total estimated contract amount not to exceed \$142,500.

## Amount and Source of Funding

Funding in the amount of \$28,500 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the extension options is contingent upon available funding in future budgets.

## Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole bid received.
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Prior Council Action:	
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For More Information:	Gage Loots, Buyer II/512-322-6118
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Boards and Commission Action:	Recommended by the Electric Utility Commission.
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-C 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.
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Related Items:	
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## Additional Backup Information

This contract will provide Austin Energy (AE) with corrective chiller repair services, on an as-needed basis and including labor and materials, to support utility operations. Chillers cool or "chill" water for use in various types of industrial equipment. Once the chilled water is used, it is returned to the chiller where the water is chilled again and sent back through a continuous loop. This contract will cover the chiller system at AE's Static VAR Compensator (STATCOM), a critical element in the utility's transmission system design that ensures reliable power delivery to customers.

AE personnel routinely perform preventative maintenance to chiller equipment, however, there are occasions that require more substantive corrective work by a contractor. This contract will provide an experienced company to supplement AE's operations, as needed, to ensure that the chiller system and in turn, the STATCOM, continue to operate optimally.

MBE/WBE solicited: 3/1

MBE/WBE bid: 0/0

#### **BID TABULATION**

IFB No. GAL0012

Corrective Repair Agreement for STATCOM Chiller System  
(12 – line items)

<b><u>Vendor</u></b>	<b><u>Labor</u></b>	<b><u>Materials</u></b>	<b><u>Total Bid Amount</u> □ <u>12 months</u>*</b>
Entech Sales and Service, Inc. Buda, TX	\$8,500.00	\$38,761.16	\$38,761.16

\* This contract will be awarded in an annual estimated not-to-exceed amount of \$28,500 for labor and materials.

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

#### **PRICE ANALYSIS**

- Sole bid. This solicitation was extended twice for a total advertise period of 36 days in an attempt to get more proposals without success.
- One hundred sixty-five notices were sent, including three MBEs and one WBE. One bid was received, with no response from the MBE/WBEs.
- This is the first purchase of its type; therefore, there is no pricing history available.

#### **APPROVAL JUSTIFICATION**

- Sole bid received.
- The Purchasing Office concurs with Austin Energy's recommended award.
- Advertised on the Internet.