

## A G E N D A



## Recommendation for Council Action (Purchasing)

|   |  |       |               |     |
|---|--|-------|---------------|-----|
| Austin City Council   | Item ID:   | 10858 | Agenda Number | 37. |
| Meeting Date:   | December 8, 2011   |       |               |     |
| Department:   | Purchasing   |       |               |     |
| Subject   |  |       |               |     |
| Authorize award, negotiation and execution of a 24-month service contract with GE POWER & WATER, Houston, TX; TRANSCANADA TURBINES, Houston, TX; and WOOD GROUP PRATT & WHITNEY, Bloomfield, CT, for maintenance and repair services for gas turbines at Austin Energy power plants in an estimated amount not to exceed \$8,000,000 each and combined, with two 24-month extensions options in an estimated amount not to exceed \$4,000,000 each and combined per extension option, for a total estimated contract amount not to exceed \$16,000,000 each and combined. |  |       |               |     |
| Amount and Source of Funding  |  |       |               |     |
| Funding in the amount of \$3,333,333 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining 14 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.   |  |       |               |     |
| Purchasing Language:  | Best evaluated three proposals of five proposals received.   |       |               |     |
| Prior Council Action:   |  |       |               |     |
| For More Information:   | Dolores Castillo, Sr. Buyer/322-6466   |       |               |     |
| Boards and Commission Action:   | Recommended by the Electric Utility Commission.  |       |               |     |
| 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. |
| <b>Related Items:</b>  |  |
| <b>Additional Backup Information</b>   |  |
| <p>This contract will provide specialized maintenance services for inspections, repairs, modifications, upgrades and testing for aeroderivative gas turbines in use at Austin Energy's Decker Creek Power Station (Pratt &amp; Whitney FT4C-1's) and Sand Hill Energy Center (General Electric LM6000's). These services include planned and emergency maintenance. This pool of contractors will furnish the labor and supervision, equipment, tools, parts and supplies necessary to support maintenance and overhaul work on gas turbines. Multiple contractors are needed to assure timely response and expertise. Contractors will submit a work plan, schedule, and pricing for individual projects, and the Contractor offering the best value to the City will be awarded the work for that project. The spending authority for the initial contract period is higher than the remaining periods because it includes funding for several planned and large maintenance projects.</p> <p>An Austin Energy evaluation team with expertise in this area evaluated the proposals and unanimously chose these proposals as the best to provide these services. Evaluation criteria used to evaluate the proposals included parts availability, schedule, experience and cost for sample work scopes.</p> <p>MBE /WBE solicited: 0/0</p> <p>MBE /WBE bid: 0/0</p> <p><b>PRICE ANALYSIS</b></p> <p>a. Adequate competition.</p> <p>b. One hundred twelve notices were sent. Five proposals were received. There are no known MBE /WBEs for this commodity.</p> <p><b>APPROVAL JUSTIFICATION</b></p> <p>a. Best evaluated proposals. GE Power &amp; Water, TransCanada Turbines, and Wood Group Pratt &amp; Whitney are the current contractors who provide this service to Austin Energy.</p> <p>b. The Purchasing Office concurs with Austin Energy's recommended award.</p> <p>c. Advertised on the Internet.</p> |  |