

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	24445	Agenda Number	54.
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Meeting Date:	May 23, 2013
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Department:	Purchasing
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Subject

Authorize, negotiation, and execution of Amendment No. 1 to a contract with EMERSON PROCESS MANAGEMENT POWER & WATER SOLUTIONS, INC. to repair a voltage regulator at the Decker Creek Power Station in an amount not to exceed \$94,500.

Amount and Source of Funding

Funding is available in the Fiscal Year 2012-2013 Operating Budget of Austin Energy.

Fiscal Note

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

Purchasing Language:	Critical Business Need.
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Prior Council Action:	
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For More Information:	Dolores Castillo, Sr. Buyer/512-322-6466
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Boards and Commission Action:	April 15, 2013 - Unanimously approved by the Electric Utility Commission on a vote of 7-0.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Additional Backup Information

On March 4, 2013, Austin Energy implemented an initial sole source contract in the amount of \$25,000 with Emerson Process Management Power & Water Solutions to repair a voltage regulator on Unit # 2 at the Decker Creek Power Station. Emerson is the original equipment manufacturer (OEM) and was called to make repairs. Hardware was replaced within the control cabinet, but later, the voltage regulator failed again with identical symptoms causing a forced outage of the unit. Emerson returned and performed a major hardware replacement because the existing equipment was obsolete and could no longer be supported. The repair was required for proper and safe operation of the generator, and for the Decker unit to participate in ERCOT market activities, providing up to 425 MW of capacity during the peak summer season.

Replacement with equipment compatible to the complete voltage regulator system is only available from the OEM, Emerson Process Management. Due to the critical nature of the voltage regulator to safely operate the generator, the OEM was immediately contacted to make this repair.