

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	30230	Agenda Number	32.
Meeting Date:	February 13, 2014			
Department:	Purchasing			
Subject				
Authorize award and execution of Amendment No. 2 to the contract with WOOD GROUP POWER PLANT SERVICES, INC., to increase the contract amount for the upgrade of a replacement control system for the turbine and generator units 1-4 at Austin Energy's Sand Hill Energy Center, in an amount not to exceed \$282,367, for a revised total contract amount not to exceed \$1,663,632.				
Amount and Source of Funding				
Funding in the amount of \$282,367 is available in the Fiscal Year 2013-2014 Capital Budget of Austin Energy.				
Fiscal Note				
A fiscal note is attached.				
Purchasing Language:	Contract Amendment			
Prior Council Action:	August 29, 2013 - Approved original contract			
For More Information:	Gage Loots, Supervising Senior Buyer, 512-322-6251			
Boards and Commission Action:	To be reviewed by the Electric Utility Commission on January 27, 2014.			
Related Items:				
MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9D (Minority Owned and Women Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.			
Additional Backup Information				

On August 29, 2013, Council approved the award of this contract with Wood Group Power Plant Services, Inc., Loveland, Colorado, for the replacement of the Sand Hill Energy Center Units 1-4 Mark VI control system including associated hardware, software, and on-going maintenance and support services. The system controls the turbine and generator parameters required for unit operation and it provides operators with a visual representation of the unit, enabling real-time equipment monitoring.

During the project kickoff meeting, Wood Group performed a detailed walk down of Units 1-4. Wood Group informed Austin Energy that they had integrated solutions for several pieces of equipment that the plant had planned to replace in the future due to obsolescence and limited part support. Based on this information, it is beneficial to perform these enhancements concurrently with the control system upgrade as Wood Group will need to integrate their functionality into the new system logic. Waiting to perform these enhancements would add cost as Wood Group would have to remobilize their project team in order to delete the original equipment configuration and integrate the new equipment at a future date.

This proposed contract amendment will increase the spending authority to cover additional upgrades to the control system. The expanded scope of work includes the replacement of the voltage regulators, gas valve positioners, nitrogen oxide water valve positioners, and provides redundancy for the vibration monitoring system for all four units. The availability of these upgrades was identified during a detailed pre-design system walk through at the plant with the Contractor. The proposed changes enhance the upgrade package by replacing obsolete equipment and are seamlessly integrated into the new control system design.

Unit reliability is improved by replacing obsolete valve positioners which are no longer supported and aging voltage regulators which have limited part support. As replacement parts become less available, the continued use of existing equipment could result in additional unit outages. The upgrades also leverage Wood Group's design efforts to achieve a total package solution for the control system. Upgrading this equipment now eliminates additional unit outages for installation and minimizes contractor mobilization costs.

Contract Summary

Action	Description	Amount
Original Contract awarded 08/29/2013	Original contract	\$1,360,000
Amendment No. 1	Administrative increase for design services	\$21,265
Proposed Amendment No. 2	Approve increase for expanded upgrades to the control system	\$282,367
Total Revised Contract Amount		\$1,663,632