



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 14
AGENDA DATE: Thu 04/14/2005
PAGE: 1 of 2

SUBJECT: Authorize execution of a contract with NASH ELMO INDUSTRIES LLC, Houston, TX, for the purchase of two vacuum pumps for Decker Unit No. 1 in an amount not to exceed \$103,202.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2004-2005 Approved Capital Budget of Austin Energy.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Austin Energy; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Martha L. Gaines, Buyer II/322-6583

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: One bid received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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.

This contract is for the purchase of two vacuum pumps for Decker Unit No. 1. Vacuum pumps remove air and other non-condensable gases from the condenser. The condenser converts steam that has passed through the turbine back into water so that the water can be reused in the boiler. Removing the excess air from the condenser allows the steam to water conversion to occur more efficiently. A recent performance analysis performed on the vacuum pumps has indicated poor performance. Replacing the existing pumps with new pumps will improve the unit vacuum in the condenser and increase overall efficiency of the unit. The efficiency improvement will result in an annual fuel savings of \$257,802.

The purchase will improve efficiency and reduce generating costs.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0



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**BID TABULATION
Vacuum Pumps/Qty. 2
IFB No. MG05300008**

<u>Vendor</u>	<u>Total Bid</u>
Nash Elmo Industries Houston, TX	\$103,202

PRICE ANALYSIS

- Nash Elmo Industries is the original equipment manufacturer of the vacuum pumps. Received one "no offer" from Independent Pump Repair.
- Eight notices were sent. Two solicitations were issued. One bid was received. The WBE did not respond. There are no MBEs listed for this commodity code.
- There is no previous cost history for this upgrade. These are the original vacuum pumps that were installed during the building of the power plant, approximately 30 years ago.

APPROVAL JUSTIFICATION

- Only bid.
- Austin Energy concurs with the recommended award.
- Advertised on the Internet.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

4/14/2005
Resolution
Austin Energy

SUBJECT: Authorize execution of a contract with NASH ELMO INDUSTRIES LLC, Houston, TX,
for the purchase of two vacuum pumps for Decker Unit No 1 in an amount not to exceed \$103,202.

FINANCIAL INFORMATION:

Parent Project Name: **Power Production**
Project Authorization: 2004-2005 Approved Capital Budget

Current Appropriation	\$ 339,724,850.00	
Unencumbered Balance		\$ 13,843,416.27
Amount of This Action		<u>(103,202.00)</u>
Remaining Balance		<u><u>\$ 13,740,214.27</u></u>

Use of Remaining Balance:

Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning & Budget

Signature: B. Pokorny

Date: 3/29/05