



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

**AGENDA ITEM NO.:** 31  
**AGENDA DATE:** Thu 04/28/2005  
**PAGE:** 1 of 2

**SUBJECT:** Ratify the execution of an emergency purchase contract with TRANE A DIVISION OF AMERICAN STANDARD INC., Austin, TX, for the purchase and installation of an air-cooled chiller for the Austin Water Utility, in an amount not to exceed \$67,319.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in Fiscal Year 2004-2005 Capital Improvement Budget of the Austin Water Utility.

**FISCAL NOTE:** A fiscal note is attached.

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

**FOR MORE INFORMATION CONTACT:** Stephen T. Aden, Supervising Sr. Buyer/974-2021

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Sole Source.

**MBE / WBE:** N/A

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This contract will provide for the turnkey purchase and installation of an air-cooled chiller for the Austin Water Utility's Hornsby Bend Administrative Building. The HVAC Chiller unit has a damaged compressor and control unit. The unit is approximately 20 years old and has been rebuilt several times. Given the current conditions, age, and recommendation for replacement from the manufacturer, it is not economically feasible to repair the unit.

The Administrative Building houses the computer processing units for the plant security system, the plant process and business computers, and the telecommunications systems. These systems represent a significant investment with the estimated cost of the security system being \$150,000 and the business and telecom systems estimated to cost \$100,000. These systems are critical to the ongoing operation of the plant. Increased temperatures and humidity in the building will compromise these systems and can result in critical failures.

In addition, the building houses the process laboratory. The process laboratory performs environmental compliance testing mandated by the state's Texas Commission for Environmental Quality and the U.S. Environmental Protection Agency. The laboratory instrumentation and computer systems used in the performance of these tests are designed to operate in a temperature and humidity controlled environment. There is no backup unit. This unit is the only means of cooling the building.

The unit purchased is an exact equal to the equipment being replaced. This purchase allowed for the replacement of the unit without modifications to the facility, which was the most expeditious and cost effective approach. Use of an alternate unit or system would have required modifications of the piping, controls, electrical systems and other systems. That approach would have resulted in an increase to the



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project's scope of work, completion schedules and costs.

The Trane Company grants territorial pricing jurisdiction to local offices serving their area. Trane Austin has pricing authority for this unit at the Hornsby Bend Plant.

## CIP FISCAL NOTE

**DATE OF COUNCIL CONSIDERATION:**  
**WHERE ON AGENDA:**  
**DEPARTMENT:**

04/28/05  
Resolution  
Austin Water Utility

**DESCRIPTION:**

Ratify the execution of an emergency purchase contract with TRANE A DIVISION OF AMERICAN STANDARD INC., Austin, TX, for the purchase and installation of an air-cooled chiller for the Austin Water Utility, in an amount not to exceed \$67,319.

**FINANCIAL INFORMATION:**

Parent Project Name:	Wastewater Improvements- Citywide
Project Authorization:	2004-05 Approved Capital Budget
Funding Source:	Current Revenue
Number:	4480 237 2016

Current Appropriation	\$ 109,530,829.00
Unencumbered Balance	15,231,417.41 *
Amount of This Action	<u>\$ (67,319.00)</u>
Remaining Balance	<u>\$ 15,164,098.41</u>
 Current Available Balance	 \$ 15,310,752.41
Less Outstanding Commitments	<u>(79,335.00)</u>
Estimated Unencumbered Balance	<u>\$ 15,231,417.41 *</u>

Utility Finance: \_\_\_\_\_

  
David Anders, Utilities Finance Manager

Date: \_\_\_\_\_

4/14/05

REF. # 4480 237 8147



## MEMORANDUM

To: Mayor and Council Members

From: Chris Lippe, P.E., Director  
Austin Water Utility

Date: April 20, 2005

Subject: Agenda May 26, 2005 - Ratification of Award to Trane Co. - Austin

This memo is to inform you that I have recently signed an emergency purchase affidavit for repairs to the HVAC chiller unit for the Hornsby Bend Administration building. The emergency purchase process was used due to potential for loss of City assets should the repair not occur. Failure to repair the chiller could result in loss of other equipment in excess of \$300,000.

The chiller unit has a damaged compressor and control unit. The unit is approximately 20 years old and is not deemed economical to repair. The replacement is needed before the warmer weather and humidity cause damages to other systems and laboratory equipment. This emergency purchase will allow for replacement of the unit at a cost of \$67,319, including a 5-year maintenance contract. This item is scheduled to come before Council for ratification on May 26, 2005.

Should you have any questions concerning this emergency repair, please feel free to contact Jane Burazer, Assistant Director of Treatment, at 972-0133.

Chris Lippe, P.E., Director  
Austin Water Utility

xc: file  
Toby Hammett Futrell, City Manager  
Joe Canales, Deputy City Manager  
Diana Granger, Purchasing Officer  
Jane Burazer, Assistant Director, AWU