



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

**AGENDA ITEM NO.: 52
AGENDA DATE: Thu 07/29/2004
PAGE: 1 of 2**

SUBJECT: Authorize negotiation and execution of a contract with BURNS & McDONNELL, Kansas City, MO, to provide skid-mounted integrated building cooling, heating and power equipment for an on-site energy plant to supply electrical power, chilled water (for HVAC cooling) and steam (for process steam and hot water) for the Seton Regional Children's Medical Hospital in an amount not to exceed \$11,000,000.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2003-2004 Amended Capital Budget of the Electrical Utility Department.

FISCAL NOTE: A fiscal note is attached.

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

FOR MORE INFORMATION CONTACT: Ron Ayers, Contract Development Analyst, 512-322-6059

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Best evaluated proposal of five proposals 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 to provide the conceptual design for and skid-mounted equipment for an on-site energy plant to supply electrical power, chilled water (for HVAC cooling) and steam (for process steam and hot water) for the Seton Regional Children's Medical Hospital on a continuous basis. The vendor will be responsible for providing the configuration, furnishing, installation and commissioning of integrated building cooling, heating, power (BCHP) equipment that will be installed in Regional Children's Medical Hospital constructed by Seton. Equipment to be provided will include: a turbine/generator, a heat recovery steam generator, chillers, a thermal energy storage tank, an emergency generator, a black start generator, a gas compressor, and other related equipment necessary to provide a complete system. The energy produced by the BCHP plant (4.6 megawatts) will be used to meet the needs of the new Regional Children's Medical Center and allow for future growth at the site. The hospital will be located at Austin's Robert Mueller Municipal Airport redevelopment site. The specific location of the BCHP is at the northwest corner of the Seton Children's Hospital parcel, which is located near the intersection of 51st street and I-H 35 in Austin, Texas.

A Request for Proposals was issued on January 22, 2004 and five proposals were received from four vendors on March 2, 2004 (one vendor submitted two proposals). An evaluation committee reviewed the proposals, and then held interviews for all proposers March 23-24, 2004. After receiving important information from Seton regarding load requirements on May 26, 2004, a Request for Best and Final Offer was issued to all vendors on May 27, 2004. Offers were received on June 11, 2004. The evaluation



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committee reviewed the offers and required additional information to complete the evaluations. Revised Best and Final Offers were requested and were received on June 22, 2004.

MBE/WBE Solicited: 0/0

MBE/WBE Responded: 0/0

**RFP No. RA04100001
PRICE ANALYSIS**

- a. Adequate competition.
- b. Fourteen solicitations were issued. Five proposals were received. There were no M/WBEs for this commodity code.
- c. The City has not contracted for this type of service in the past; therefore there is no price comparison.

APPROVAL JUSTIFICATION

- a. The proposal meets the requirements stated in the Request for Proposals.
- b. The Electric Utility Department concurs with the recommended awardee.
- c. Advertised on the Internet.

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

7/29/2004

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Electric Utility Department

SUBJECT: Authorize negotiation and execution of a contract with Burns & McDonnell, Kansas City, MO, to provide skid-mounted integrated building cooling, heating, power equipment in an amount not to exceed \$11,000,000.

FINANCIAL INFORMATION:

Parent Project Name: **Non-Electric Plant Assets - Chillers**
Project Authorization: 2003-2004 Amended Capital Budget

Current Appropriation	\$ 88,767,916.00	
Unencumbered Balance		\$ 13,399,504.13
Amount of This Action		<u>(4,400,000.00)</u>
Remaining Balance		<u>\$ 8,999,504.13</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: [Signature]

Date: 7/29/04

CIP BUDGET
Fiscal Note

DATE OF COUNCIL CONSIDERATION:

7/29/2004

WHERE ON AGENDA:

Resolution

DEPARTMENT:

Electric Utility Department

SUBJECT: Authorize negotiation and execution of a contract with Burns & McDonnell, Kansas City, MO, to provide skid-mounted integrated building cooling, heating, power equipment in an amount not to exceed \$11,000,000.

FINANCIAL INFORMATION:

Parent Project Name: **Power Production**
Project Authorization: 2003-2004 Amended Capital Budget

Current Appropriation	\$ 351,759,850.00	
Unencumbered Balance		\$ 32,673,616.32
Amount of This Action		<u>(6,600,000.00)</u>
Remaining Balance		<u><u>\$ 26,073,616.32</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: _____

Date: 7/29/04