Thursday, August 19, 2010

Purchasing Office   **Item No. 19**
RECOMMENDATION FOR COUNCIL ACTION

Subject: Authorize award and execution of Amendment No. 2 to a contract with GE PACKAGED POWER INC., Houston, TX, for additional control software and technical services to complete the installation of two LM-6000 combustion turbine generators at Austin Energy's Sand Hill Energy Center in an estimated amount not to exceed $154,257, for a revised total estimated contract amount not to exceed $34,744,257.

Amount and Source of Funding: Funding in the amount of $154,257 is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Dolores Castillo, Sr. Buyer/322-6466

Purchasing Language: Contract Amendment.

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

Boards and Commission Action: To be reviewed by the Electric Utility Commission on August 16, 2010.

Prior Council Action: October 11, 2007 - Approved contract.

The original contract, approved by City Council on October 11, 2007, included the purchase and installation of two new LM-6000 combustion turbine generators (CTGs) for the Sand Hill Energy Center (SHEC) in an amount not to exceed $34,538,000. The CTGs are replacing a portion of Austin Energy's generation capacity removed from service with the retirement of the Holly Street Power Plant. A lengthened construction schedule has resulted in an additional 434 technical assistance hours required for completion of the project for an increase of $124,057.

Additionally, control software changes are required, resulting in an increase of $30,200, for the Selective Catalytic Reduction (SCR) equipment that controls NOx emissions. This will allow the SCR controls to properly interface with turbine controls.