



Recommendation for Action

File #: 19-1807, **Agenda Item #:** 26.

6/6/2019

Posting Language

Authorize negotiation and execution of two multi-term contracts with Alfred Conhagen, Inc. of Texas and Ruhrpumpen Inc., to provide utility pump maintenance services, each for up to five years for total contract amounts not to exceed \$3,000,000, divided between the contractors.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$200,000 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued a Request for Proposals (RFP) 1100 DMD3003 for these goods and services. The solicitation issued on December 10, 2018 and it closed on January 15, 2019. Of the three offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=128913)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=128913>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com <<mailto:Terry.Nicholson@austinenergy.com>>.

Council Committee, Boards and Commission Action:

May 13, 2019 - Recommended by the Electric Utility Commission on an 8-0 vote, with Commissioner Weldon off the dais and Commissioners Hadden and Stone absent.

Additional Backup Information:

These contracts will provide Austin Energy with access to two qualified contractors to provide maintenance

services for large utility pumps used at Decker Creek Power Station and Sand Hill Energy Center. The services covered include planned maintenance, emergent maintenance, parts, upgrades, field service, and pump replacement. Proper pump performance is critical to the reliability and efficiency of the power plants. Two qualified contractors will ensure competitive pricing and timely response. Austin Energy will identify pump maintenance projects with a written work scope and each contractor will submit a price and schedule. The contractor that provides the best value to the City will be awarded the project. The contractor awarded the project will provide all required labor, supervision, tools, parts and supplies.

The previous contracts expired in May 2019 and had expenditures of \$1,902,169 over a five-year period. The authorization requested includes funding to cover anticipated and emergent pump maintenance requirements during the contract term.

An evaluation team with expertise in this area evaluated the offers and scored Alfred Conhagen, Inc. of Texas and Ruhrpumpen Inc. as the best to provide these services based on prior experience and personnel qualifications, total evaluated price, program, concept and solution, business organization and project management structure, local business presence, and service-disabled veteran business enterprise.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$1,200,000
Optional Extension 1	1 yr.	\$ 600,000
Optional Extension 2	1 yr.	\$ 600,000
Optional Extension 3	1 yr.	\$ 600,000
TOTAL	5 yrs.	\$3,000,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.